WHOLESALE
COOPERATION
SCOTLAND

THE LIBRARY
OF
THE UNIVERSITY
OF CALIFORNIA
LOS ANGELES

WHOLESALE CO-OPERATION IN SCOTLAND

MORRISON STREET, GLASGOW

THE NERVE CENTRE OF CO-OPERATION IN SCOTLAND

Wholesale Co-operation in Scotland

THE FRUITS OF FIFTY YEARS' EFFORTS
(1868—1918)

AN ACCOUNT OF THE SCOTTISH CO-OPERATIVE
WHOLESALE SOCIETY, COMPILED TO
COMMEMORATE THE SOCIETY'S
GOLDEN JUBILEE

BY

JAMES A. FLANAGAN
CO-OPERATIVE NEWS

Glasgow:
The Scottish Co-operative Wholesale Society Limited
95 Morrison Street
1920

PRINTED BY THE
SCOTTISH CO-OPERATIVE WHOLESALE SOCIETY LIMITED
SHIELDHALL, GLASGOW

ACO 1830

UNIVERSITY OF SOUTHERN CALIFORNIA LIBRARY

HD
3+8
A553+4

THIS JUBILEE VOLUME

IS

Dedicated

TO THE HUMBLE MEN AND WOMEN, OF SLENDER MEANS AND GIANT HOPES, WHOSE FAITH IN CO-OPERATIVE PRINCIPLES AND LOYALTY TO CO-OPERATIVE PRACTICE HAVE REARED THE WONDERFUL ORGANISATION WHOSE OPERATIONS ARE HEREIN DESCRIBED.

1965103

FOREWORD

It will be news to many readers, although probably not to most, that Scotland has a double title to be regarded as the Mecca of Co-operative pilgrims who wish to visit the scenes of the earliest known Co-operative experiments. Documentary evidence has established the fact that the Fenwick Weavers' Society* practised Co-operation, in the sense in which "Co-operation" is conceived by consumers who club together for economic advantage, in 1769—or, let us say, one hundred and fifty years ago. That is the earliest Co-operative Society in Great Britain, or anywhere else, of whose existence documentary proof has been brought to light. Upon that fact rests Scotland's first title. The second title rests upon the fact that two Scottish societies still trading have had a longer continuous existence than any other societies in the kingdom—if not in the whole world. These two societies are the Bridgeton Old Victualling Society (Glasgow), which was established in 1800, and the Lennoxtown Friendly Victualling Society, which was established in 1812. The natural law is so strongly predisposed to Co-operation† in every sense that it may be assumed that Co-operation, even in the trading sense, showed itself in many places and in many forms during the centuries that passed before the Fenwick experiment, notwithstanding

* See p. 22 and Appendix I.

† "All are needed by each one;
Nothing is fair or good alone."—*Emerson.*

the fact that no contemporary writings have been unearthed to prove this view. Many little societies followed those I have mentioned.* In their way, these little societies were all charming manifestations of the will to exist; but circumstances were against their becoming the Co-operative societies of to-day just as circumstances are against the wild rose of the wayside becoming, of itself, a *Sunburst* or a *Gloire de Dijon*. With the spread of education among the working-classes, and with inspiration drawn from their own experiences, later generations of Co-operators devised means to protect their societies from the withering blasts that blew from without, and also devised means to develop their societies from within. Experiences, that were sometimes unhappy, showed that Co-operative societies spread over the country could do a great deal to help the people who made use of them; but showed also that these societies could do a great deal more if they themselves co-operated than if each society remained an isolated unit. Co-operation between societies, or the federation of societies, seemed only a rational development of Co-operation between individuals, and this development in Scotland has most frequently taken the form of federated baking societies. The federated baking societies are, as a rule, local in their operations,† but most Co-operative federations in Scotland, which are not purely local organisations, serve some single purpose or are concerned with some single trade.‡ The Scottish Co-operative Wholesale Society

* Over three hundred existed in 1830.

† The United Co-operative Baking Society (Glasgow) is something more than a local organisation; but it is unique in some respects.

‡ *E.g.* Paisley Co-operative Manufacturing Society; The "Scottish Co-operator" Newspaper Society; The Scottish Co-operative Laundry Association.

differs from them all in its magnitude and in its scope. No trade, except the trade in intoxicating liquors, is without its scope; no part of Scotland is outwith its territory; as the local Co-operative societies grow, it grows. It is a national institution to the Co-operative mind because even the other Co-operative federations in Scotland are members of it. From the public point of view it may also be regarded as a national institution, because the societies which constitute its membership comprise over half a million men or women members who, with their families, account for more than half the population of Scotland. The Jubilee of such an Association warranted the publication—in the public interest as well as in the Co-operative interest—of a clear account of what the Scottish Co-operative Wholesale Society is; how it is constituted; how it came into being; how, and by what stages, it has grown into the giant Association it now is; and what it has actually done, during the past half century, to entitle it to claim the respect and the gratitude of the masses of the people of Scotland. To compile this account has been my task. I have already had the pleasure of preparing several little books* in which I have submitted records of the achievements of some local Co-operative societies that had completed fifty years of activity, and a similar task fell to me when the Lennoxtown Society celebrated its centenary.† These experiences, contrary to what one might expect, only increased the anxiety with which I faced the undertaking which the publication of this

* "Alloa Co-operative Society" (1912); "Co-operation in Lanark" (1913); "Co-operation in Sauchie" (1915).

† "Memoirs of a Century" (1913).

volume completes. Those little works dealt with local ventures which were, nevertheless, local triumphs for Co-operation. The volume now in the reader's hands is not a local record. It surveys half a century of massed Co-operative effort in Scotland. By it, some will judge whether there is wisdom in that form of collectivism which we call Voluntary Co-operation, or whether Co-operation is worth while. Some readers will begin with minds not favourably disposed to Co-operation, and I hope that they will not end their reading in the same disposition. The book, however, is written primarily for Co-operators who already know something of the Scottish Co-operative Wholesale Society. It is a Co-operative production. Men dead and gone have been among my *collaborateurs ;* for, although their voices are now hushed, their written records live, and have been readily placed at my disposal by their successors in the Co-operative movement. My indebtedness to living Co-operators is acknowledged elsewhere. The S.C.W.S. directors and officials have not sought to influence my treatment of the subject, and they are therefore not committed to the views I express in these pages. I ought to add that the publication has come later than was intended ; but that ought not to be altogether regretted, as it has enabled me to view the war activities of the S.C.W.S. in truer perspective.

J. A. F.

CONTENTS

		PAGE
	FOREWORD	vii
	HISTORICAL SECTION.	
I.	Hardships of the Scottish People Before the Co-operative Era	1
II.	Advent of Co-operation and Growth of the Movement till 1860	20
III.	The Conception of Wholesale Co-operation and an Odd Result	38
IV.	How the S.C.W.S. was Brought to Life	50
V.	Five Years of Experimental Effort	69
VI.	Serious Storms Safely Weathered	87
VII.	Distributive Branches Denote and Aid Progress	100
VIII.	Productive Enterprises Follow Success in Distribution	114
IX.	The Society's Coming of Age and a Retrospect	133
X.	An Eventful Decade in which the Society Accepts a Challenge	144
XI.	The Society Carries its Flag Overseas	165
XII.	A Chapter of Memorable Events	178
XIII.	The Last Decade and the Greatest	195
XIV.	A Jubilee-year View of "The Wholesale"	235
XV.	The Economic Influence of the Wholesale	243
XVI.	The Wholesale in Times of National Crisis	269
XVII.	The Wholesale as a Social Influence	283
XVIII.	Conclusion	291
	DESCRIPTIVE SECTION.	
I.	"Morrison Street"	301
II.	The Central Premises	303
III.	The Grocery Departments	308
IV.	Leith Grocery Branch	315
V.	Kilmarnock Grocery Branch	317
VI.	Dundee Grocery Branch	318
VII.	The Drapery Warehouse	320
VIII.	Furniture Warehouse and Showrooms	324
IX.	Edinburgh Furniture Warehouse	327
X.	Stationery and Advertising	329
XI.	Insurance and Friendly Societies	334
XII.	The Paisley Road "Gusset"	338
XIII.	Other Glasgow Centres	340
XIV.	Building and Allied Departments	342
XV.	Flour and Oatmeal Milling	346

		PAGE
XVI.	Creameries, Margarine Factory, and Milk Centres ...	352
XVII.	Sausage, Ham-curing, and Bacon Factories	359
XVIII.	Fish and Fish Curing.....	361
XIX.	Aerated Water Factories	363
XX.	Shieldhall and its Interests.....	366
XXI.	Boot and Shoe Production and Tannery.....	370
XXII.	The Printing Department	374
XXIII.	The Clothing Factories	379
XXIV.	Shirts, Hosiery, and Underclothing	382
XXV.	The Cabinet Factory	387
XXVI.	The Tinware Factory	390
XXVII.	Productive Grocery Departments	393
XXVIII.	The Chemical and Sundries Department.....	396
XXIX.	Tobaccos and Cigarettes	400
XXX.	Mechanical, Electrical, and Motor Engineering.....	403
XXXI.	Brush Factory and Cooperage	404
XXXII.	The Fire Brigade	405
XXXIII.	Wool Spinning and Weaving	406
XXXIV.	The Jute Mills	410
XXXV.	Transport and Allied Departments	414
XXXVI.	Soap and Glycerine Works	418
XXXVII.	Wholesale Estates and Farms.....	422
XXXVIII.	Tea and Cocoa Production	425
XXXIX.	Overseas Enterprises.....	430
XL.	Retail Branches of the Wholesale	435

APPENDICES.

I.	Notes on the Fenwick Weavers' Society.....	440
II.	Statistics from First Scottish Co-operative Survey, 1867	442
III.	Scottish Co-operative Statistics, 1911	443
IV.	Scottish Co-operative Statistics, 1918	444
V.	Original Plan of the S.C.W.S.	445
VI.	First Quarterly Report of the S.C.W.S.	446
VII.	Descriptive Account of Procession at Opening of Central Premises	448
VIII.	Table Showing Progress of S.C.W.S. since 1868.....	450
IX.	S.C.W.S. Capital Account, 1918	454
X.	Inventory of Land in Possession of the S.C.W.S., 1918	455
XI.	Inventory of Buildings in Possession of the S.C.W.S., 1918	457
XII.	Table Showing S.C.W.S. Employees at Date of Jubilee Celebrations.....	458
XIII.	Comparative Table showing Trading Relations between Wholesale and Retail Societies	459
XIV.	Committee and Officials at the Coming of Age.....	460
XV.	Directors, Auditors, and Officials at Jubilee.....	461
XVI.	List of Elected Officials and Directors since 1868....	464
XVII.	Jubilee Celebrations, 1919	468

ILLUSTRATIONS

Morrison Street, Glasgow	Frontispiece.	
Robert Stewart, J.P.	Facing page	xvi.
John Pearson, J.P.	"	1
William Maxwell, K.B.E.	"	16
Robert Macintosh, J.P.	"	17
David Dale and Owenite Associations	"	22
Old-time Scottish Co-operative Board	"	23
Pioneers of the S.C.W.S.	"	26
Early English and Welsh Helpers	"	27
The Two General Managers	"	32
Survivors of the Original Board	"	33
The Society's Secretaries—1868–1918	"	48
The Only Treasurers of the S.C.W.S.	"	49
Directors before Mr Barrowman's Retirement in 1881	"	64
Joint Group English and Scottish C.W.S. Directors, 1897	"	65
Group of Joint Buyers, 1897	"	80
Some Veteran Officials in 1918	"	81
More Veteran Officials	"	96
Board of Directors, 1899	"	97
Jubilee Year Group of Directors	"	112
S.C.W.S. Finance Committee, 1918	"	113
S.C.W.S. Grocery Committee, 1918	"	128
S.C.W.S. Drapery Committee, 1918	"	129
Auditors at Jubilee	"	144
The S.C.W.S. Supreme Court	"	145
A Federation of the World	"	176
Distinguished Visitors at Shieldhall	"	177
Original Site at 95 Morrison Street	"	192
S.C.W.S. Central Premises	"	193
At the Central Premises	"	208
The Grocery Departments	"	209
The Grocery Departments—Elevation of New Warehouse	"	224
Leith Grocery and Provision Warehouse	"	225
Drapery Warehouse, Glasgow (exterior)	"	240
Drapery Warehouse, Glasgow (interior)	"	241
Glasgow Furniture Warehouse—One of the Showrooms	"	256
China, Crockery, and Glassware Department	"	256
Music and Musical Instruments Department	"	257
Jewellery Saleroom	"	257

Stationery Warehouse and Showroom.....Facing page 272
Chancelot Flour Mills..... " 273
Regent Flour Mills ..... " 288
Enniskillen Premises ..... " 289
Fish and Fish Curing..... " 304–305
A Hive of Industry..... " 320
Spinning and Weaving Mills..... " 321
Wool Bings and Carding Room at Ettrick..... " 352
Taybank Works—Jute Preparing and Spinning..... " 353
Taybank Works—Jute Yarn Winding and Weaving.... " 368
The Wholesale's Prize Stud..... " 369
Opening of Calderwood Castle..... " 384
Belgian Refugees at Calderwood Castle..... " 385
Tea Production—Estates of the E. and S. C.W.S..... " 400
Views on the Tea Estates..... " 401
Employees on the Tea Estates..... " 416
Blending and Packing Tea at the London Warehouse.. " 417
West African Enterprises..... " 424
Views of Cape Coast Castle..... " 425
Luton Cocoa and Chocolate Works..... " 432
The Society's Retail Branches..... " 433

ERRATA.

Page 26 (nineteenth line from top).—For "are on" read "are not on."
Page 31—For " Mr Littlejohn, M.P.," read " Mr Littleton, M.P."
Page 146 (tenth line from bottom).—For " 1840 " read " 1890."
Page 212 (seventh line from bottom).—For " legislation " read "litigation."

HISTORICAL SECTION

THE PRESIDENT

Mr ROBERT STEWART, J.P.

Elected Director 1899. Elected President 1908.

Mr JOHN PEARSON, J.P., Provost of Alloa

Elected Director 1888. Elected Secretary 1907.

I.

HARDSHIPS OF THE SCOTTISH PEOPLE BEFORE THE CO-OPERATIVE ERA.

HOSTILITY TO THE EDUCATION OF THE "LOWER ORDERS"—WHY THE DOMINATING CLASSES OBJECTED TO SCHOOLS—EXTENT OF VAGRANCY IN SCOTLAND—THE PEOPLE'S AFFECTION FOR EDUCATION AND THE CAUSE THEREOF—THE PARISH SCHOOLMASTER AND HIS WORK—THE SELFISH SCOTTISH NOBILITY—THE RIGHTS OF LANDLORD OVER THE LIFE OF THE TENANT—SLAVERY FOR SCOTTISH WORKERS RECOGNISED BY LAW: ITS ABOLITION—TAXATION—PROFITS—WAGES.

SCOTLAND has the credit of having enacted Compulsory Education by an Act* of the Scots Parliament passed as early as 1494. It is true that it only applied to a small section of the people, the Barons and Freeholders, who were to be mulct in fines of £20 if they did not "put their sons to the schules, fra they be sex or seine yeiris of age"; but these were the people who dominated the country, and the Act, for its time, was an acknowledgment of the indispensability of education for those who had to do, or were at least expected to do, serious thinking. At that time Scotland, with a population of less than a million, had three universities for England's two. There were grammar schools and high schools and a variety of elementary schools in every part of the country, all of which served a useful purpose, and many of which were taken advantage of to a considerable extent. John Knox formulated the ideal of "a school in every parish, a higher school or college in cities and large towns, and university education." Between 1560 and 1620 attempts were made by the Scots Parliament to encourage learning, and many privileges similar to Benefit of Clergy were granted to those who were considered scholars.† But education was as costly in Scotland as in other places—except in a few schools—and it was so costly in universities

* "Acts of the Scots Parliament," Chap. LIV.

† Cleland's "Annals of Glasgow."

that students at these universities were granted special permission to beg alms.

In the three succeeding centuries, the Scottish Universities, according to Chambers's Encyclopædia, did the special service of supplying the want of those secondary schools which formed part of John Knox's proposed national system, but which were not achieved owing to the poverty of the country and the *selfishness of the leading nobility*. Even the provision of the parish school was not carried out rapidly. In 1616 the Privy Council ordained that there should be a school in every parish. The injunction was ignored, and the Scots Parliament found it necessary to pass Acts for the same purpose in 1633, 1645, and 1696; which made it clear that, for one reason or another, there must have been many parishes without schools; and the ideal was not in full application even in the middle of the nineteenth century.* It would be easy to understand why people did not send their children to schools where these existed. The reasons for that would be similar to the reasons which prevent parents from agreeing readily to the raising of the school-leaving age to-day, even in Scotland, and which make many parents in England resentful of any attempt to abolish the half-time system. These reasons are either the poverty or the selfishness of the parents. The poverty of the parents, however, did not constitute the chief reason for the disobedience to the Acts of Parliament cited. These Acts were not framed to compel people to send their children to parish schools; they simply ordered that there should be a school in every parish to which people could send their children if they wished them to be educated. The reason why these schools were not provided seems also to have been economic; for, more than a century ago, Cleland, in the Annals already quoted, excuses himself from entering into a refutation of "the illiberal arguments brought against the principle of educating the lower orders of the people" because the whole case had been put, shortly before he wrote his Annals, by "a respectable writer on political science." This respectable writer had to controvert the argument (of the opponents of the education of the poor) "that even being able to read renders the lower classes of the people impatient of labour, dissatisfied with their condition, turbulent in their

* Kerr's "Scottish Education in School and University."

disposition, and apt to find fault with the religious and political establishments of the country." These same opponents of the poor also argued that the wants of society required " that some be employed in the lowest and most degrading offices " ; and those who took that view naturally enquired " to what purpose will it be to improve the lives of those who can be happy only in proportion as their ideas are grovelling and unrefined." Such were the views that a Glasgow political scientist had to combat at the beginning of the nineteenth century. The views were not new. Every new ascendancy that has come has attributed such views to the preceding ascendancy. In Scotland the Reformers attributed these views to the clergy of the Pre-Reformation period ; Liberal politicians have blamed Tory politicians for putting such views into practice, and the political representatives of Labour blame Tory and Liberal alike for allowing the rich to keep the poorer classes in ignorance. There was some method in the madness of those who kept the doors of the school locked and barred against the common people, or who forgot to provide a schoolmaster. The position was much the same as in Ireland, where permission would be ostentatiously given to erect a school and a site for the school refused. Plain living, they say, notoriously leads to high thinking ; and a little knowledge is a dangerous thing for some people when it is possessed by those whose environment conduces to high thinking. The environment of the Scots people in the last two centuries was certainly plain enough to conduce to the high thinking, and many were fortunate if they could even count upon a plain living ; for in the beginning of the eighteenth century, when there was less than a million of a population, there were 200,000 vagrants who simply begged their way about the country.* The Captain of Industry as we know him to-day may curtail the educational opportunities of his " hands " ; but he will rarely employ an illiterate if there is a choice ; he prefers one who has some slight elementary knowledge, sufficient at least, to be able to read and write and count a little. There are, as we all know, employers who encourage their employees to undertake educational courses ; but, with a few honourable exceptions, such employers are only assisting their workers to become more profitable servants. That is the more elegant way

* Fletcher of Saltoun.

of putting it ; and the red-hot Socialist would say more bluntly that such employers only want to make the worker able to produce more wealth for them. The dominant class to-day is the capitalist-employing class. The dominant class up till the eighteenth century had passed, and well into the nineteenth century, was the class which comprised the nobles and the landowners who had bought land from the nobles, or to whom it had become forfeit for the non-payment of money lent to the nobles. Well, the nobles and the landowners had no particular desire to see the masses of the people educated. There were the best of reasons why they should not be educated. If they were educated and could read, there was no knowing what they might read ; and if they read they might think, and there was no knowing what sturdy people might think, especially people who, for the greater part, had not a great deal to lose. The nation had already thought the English yoke should be cast off, and, thanks to Bruce and the Abbot of Aberbrothock, it was done in both the temporal and spiritual senses. The nation had thrown over two forms of religion and had taken to a third. The nation had got rid of a queen, however divided opinions were on the subject ; and the people had been involved in wars over the ruling sovereign's right to rule. Their nobles, and their landlords, had led them ; but there was the danger that if schools were set up in every parish as the Parliament decreed, the people, with their outlook widened, might readily adopt the same questioning attitude to the nobles and the landowners that these same classes had led them to adopt towards others in power. There was, nevertheless, a very considerable affection for education among the people themselves. Devoutly religious men were not content to have the Bible read to them ; they yearned to read it for themselves, and it will be found, I believe, that the fervour of the religious life of those centuries did most to popularise the parish schools that did exist. The parish schoolmaster was not the " wage-slave " that many teachers account themselves to-day. He longed for pupils. He was father and friend as well as teacher. Some of these old worthies were scholars of brilliant attainments. It is nearly fifty years since the board school took the place of the parish school, and most of the old parish schoolmasters have passed away ; but occasionally one reads an obituary paragraph in the newspapers

in which it is mentioned that the old worthy whose death is chronicled was a parish schoolmaster. There must be but few of them left. Yet these old men sent brilliant students into the world; and in more than one case it might be said that the schoolmaster of a little country parish parted with pupils equipped not only with the three "R's," but possessed of a keen enthusiasm for history and geography; and with a knowledge of mathematics, Latin, and other higher subjects sufficient to carry them through the entrance examination at a university. The spread of education of that kind came late. If it had come earlier several things might have happened. The Union of Parliaments, for instance, would never have taken place, and many laws and customs that prevailed till comparatively recent times would not have been tolerated by the people.

There grew up in Scotland a vigorous democratic tendency; for the Scottish clans had, under their own laws and regardless of the Statute Book, simply exercised in their own way the principle of "Self-determination," of which some races have heard for the first time since the present war began to reach the "Peace Rumours" stage. Side by side with the spirit of democracy there remained among the people the reproach that they "dearly loved a lord." In some parts of Scotland deference to the landlord, particularly if he be a titled landlord, is still very marked. In recent centuries it was still more marked; it amounted to awe. Why this should have been so in the case of the Scottish people beggars comprehension; for the Scottish nobles were for the most part predatory nobles in the fullest sense. They had all the acquisitiveness of the nobles of their period in other countries; but their greed and their selfishness were aggravated by their chronic impecuniosity. They had "lands and proud dwellings," as the song says; but for the most part they led an uncouth existence. Their attitude to their tenants was almost like the attitude of the sugar planter to the slave. They held the power of the gallows over their tenants; and not only had they that right, but they claimed it, and pit and gallows formed part of the equipment of the "big house" in more than one part of the country. When it occurred to the Government that tenants were human beings and their lives human lives, and that the landlord must be deprived of this arbitrary right to hang people, the landlords

felt themselves aggrieved. They claimed compensation for being deprived of the right, and the speeches delivered in 1914 in connection with the inauguration of the great Land Campaign (of which little is now heard) disclosed the fact that one of the last landed proprietors to claim compensation on this score was an ancestor of the present Duke of Sutherland, who, in 1748, demanded £10,000, but had to be content with £1,000.* It is almost incredible that any Government should have paid compensation for such privation at such a comparatively recent date. The exactions of the Sutherland family were severe enough; but they were a wealthy family, and there is ample evidence on record of the hardships and tyranny to which the people were subjected when they were the tenants of "hard up" landlords who had tasted the pleasures of society, but found themselves short of the money necessary to open the doors of the gay and great. A perusal of the records of the Scottish nobles,† and the manner in which they grabbed the lands they still hold, leaves us with one great perplexity—how to explain the fact that the Scots are not rebels to a man. Whole tracts of land, worked and sown and tilled by tenants of the same family from generation to generation, were cleared of their people; counties were almost denuded of their population; islands were cleared of human beings except for the gamekeeper and his family and the "ladies and gentlemen" who frequented them in the shooting and fishing seasons. Smiling glens and merry hamlets were compulsorily evacuated in order that sheep might be set to grass. These clearances were effected with a frightfulness before which even detested war atrocities pale. People were sent to America without their consent; old women and children, even when sick, were left on the roadside exposed to the elements, and there are cases on record in which old people or invalids were allowed to perish in houses burned down about them, assistance being wilfully withheld.‡

Barbarous as was the treatment of tenants by their landlords, there were iniquities equally terrible—or almost as terrible—in industrial life. Fletcher of Saltoun, whose estimate of the number of vagrants at the beginning of the eighteenth century

* Mr Lloyd George at Glasgow, 4th February 1914.
† See "Our Noble Families," by T. Johnston.
‡ Mackenzie's "Highland Clearances."

has already been given, although a Republican, suggested slavery for these vagrants—pure and unadorned slavery. It sounds barbarous; but at that time, and for ninety years longer, slavery existed in Scotland. On entering to a "coal work," or a salt mine, colliers and salters, independent of agreement between employer and employed, were bound by law to perpetual service—perhaps servitude is a better word—there; and in the event of the sale or alienation of the ground on which the works were situated, the right to their service passed, without the need of any express grant, to the purchaser. The sons of the collier or salter could follow no occupation but that of their father, and were not at liberty to seek for employment anywhere else than in the mines to which they were attached by birth.* This only meant that the sons of colliers and salters were born in and into slavery. The Scots Parliament had passed a good deal of healthy legislation; but it allowed this state of things to last from the early part of the seventeenth century, and even countenanced it by excluding the colliers and salters from the provision of the Habeas Corpus Act. Many Scottish writers have since denounced this bondage; but it was not till the closing years of the eighteenth century that the iniquity was abolished by an Act of Parliament under George III.

The power of life and death which landlords held over their tenants, and the actual legalised slavery imposed upon miners, were undoubtedly the worst features of the conditions that prevailed up till the end of the eighteenth century. There were no centres of industry such as we have to-day. The factory was a thing unknown, and what could be called a centre of industry in those days was a place like, say, Kilbarchan of to-day, where the click of the shuttle in the hand-loom is heard in almost every row of houses. Agriculture claimed the labour of most people, although home industries were carried on. Every cottage had its spinning wheel and every little township had its looms; while, of course, some centres were specially devoted to these industries. The agricultural system in vogue was poor. Very little effort was made to develop the industry on scientific lines. According to one authority, the methods of farming in vogue in Scotland at the end of the seventeenth century were exactly what they were at the time of Bannockburn.

* Chambers's Encyclopædia; cf. "Slavery."

Poor as were English agricultural methods and results, they were better than those of Scotland. The first real improvements were brought back from the Netherlands by soldiers who had fought there, and it was not till the eighteenth century that real advances were made in farming. Then intensive culture began to be practised, proper ideas of draining were resorted to, the rotation of crops was begun, and fields were enclosed. Various societies were instituted to improve agriculture, and it is interesting to learn from a historical sketch which appeared in the *Co-operative News* when St Cuthbert's Co-operative Association made its first venture in agriculture by the purchase of Cliftonhall Estate, that an earlier proprietor of the estate had placed part of the land there at the disposal of one of these societies for the carrying out of certain experiments, with a view to demonstrating the value of new schemes. One of these societies, the Scottish Society of Improvers in the Knowledge of Agriculture, made practical experiments, in 1723, which gave the Scottish farmer a new idea of the importance of enclosure, draining, limeing, and furrowing, and which demonstrated also what could be done with clover and grasses. In 1737 Andrew Rodger, a Roxburghshire farmer, used the first machine for winnowing grain. It shocked everybody in the district, and was regarded as an unholy means of destroying the prerogative of Him who "formeth the mountains and createth the wind." The fanner came to stay, however; various improvements were made in the plough, and the threshing machine was invented. Towards the end of the century scientific methods were also applied to the improvement of live stock, a work to which Lord Kames gave a decided impetus. All these improvements increased supplies of food and clothing, and improved the prices at which farmers were able to sell. One result of this was that the landowners displayed a greater interest in farming, larger tracts of land were farmed for their special benefit, agricultural shows and dinners were held, and the excitement of competition increased the enthusiasm of these "large farmers" who took part in such assemblies. Another result, however, was that many who formerly did farming for themselves sunk to the level of farm labourers, who were forced to work at all hours, and were, at the same time, deprived of the satisfaction they formerly had of knowing that they were working for themselves.

Undoubtedly, agriculture improved; but, as happens so often when improvements are effected, the full consequences of the improvements were not foreseen or provided for. The population on the land dwindled, and, at the beginning of the nineteenth century, the position of the rural labourer was simply abject. "He was in a state of poverty and dependence upon his master which existed in no other walk of life."* The lot of the agricultural labourer during the past century was still deplorable; what it is to-day is shown by the fact that the Government has fixed his wages at 30/ per week (equal to 13/6 according to pre-war value of money). This standard has been arrived at after years of progressive propaganda for the raising of the "bottom dog," and the figure shows how little value a nation attaches to the work of those whose lives are spent in producing the nation's food. The standard, however, represents a new world for the agricultural labourer; but when that is so, we can readily understand why, at the end of the eighteenth and the beginning of the nineteenth centuries, there was such an exodus from the country to the town. The rural labourer was so full of despair that he readily deserted the hillside and the glens, the cottage, and the burn-side, the clear air and the country road, for the murky atmosphere of the town, the dingy street, the confined hovel, and the other deplorable changes that his trek involved. Agriculture, to which men devoted themselves, even if primitively and unskilfully, for their own needs and the needs of the household, had passed into fewer hands; in short, it had become not an occupation but a trade. Even in 1770 Goldsmith wrote deploringly:

> "But times are altered; trade's unfeeling train
> Usurp the land, and dispossess the swain.
> * * * * * * *
> Around the world each needful product flies,
> For all the luxuries the world supplies."

The swains felt that any change would be an improvement yet, for the most part, the bitterness came upon them when they realised the horrors of the city, where

> ". . . the single sordid attic
> Holds the living and the dead."

Nor did bitterness come only upon those whose work had lain in the fields.

* Chambers's Encyclopædia.

There had been many inventions in the eighteenth century. Methods of improving the processes of treating iron ore had been introduced. The development of the steam engine, and its application to almost every industry, had heralded a revolution which soon came. The methods of coal-mining improved, and the use of steam demanded greater supplies of coal and iron. The Peace of Paris, at the close of the Seven Years' War, left Great Britain, already an exporter, mistress of a great overseas trade with powers of monopoly. James Hargreaves invented his spinning jenny in 1766, and Sir Richard Arkwright invented the spinning frame in 1768. Both became the object of great rage by workers who saw their occupation gone, for Hargreaves had his home broken into and his machine destroyed, and Arkwright had to remove to Nottingham to escape popular resentment because of his invention. The stimulus given to trade by the Peace of Paris had created a craving for profits, and nobody displayed greater greed in that direction than Arkwright himself. When he had almost perfected his machine he found that the yarn, as it was delivered through the rollers, had a fatal trick of curling back. Mr Thorold Rogers* tells how, puzzling over this obstacle, he took into his confidence the local blacksmith who made his machines, and that worthy, after examination, said he could remedy what was wrong. Arkwright asked his terms. Ten years' partnership and equal profits was the reply. Arkwright went off in a rage ; but the yarn still curled. At last he yielded, but the blacksmith insisted that a proper deed should be executed and enrolled. Arkwright swore, but he had to submit. When the deed was signed the blacksmith went behind the rollers and, apparently, rubbed one of them with his hand. The yarn was delivered as was wished, and Arkwright found that his new partner had only rubbed a roller with some chalk to give it a different surface from the other. He swore once more, but the partnership stood ; and the blacksmith, who had as keen an eye to profit as Arkwright himself, became Lord Belper. After a visit to one of Arkwright's mills, the Rev. Edmund Cartwright began to study machinery, and he invented the power-loom in 1785. He met with the same popular rage as Hargreaves and Arkwright ; he set up a factory, from which he had to retire because of public resentment against

* "Industrial and Commercial History."

his power-looms ; and a mill set up at Manchester later, with four hundred of his looms, was burned down.

The factory system, however, had been inaugurated. The great fillip given to British trade after the Seven Years' War was as nothing to that which came from the French Revolution. In one respect history seems to be repeating itself. Advanced thought welcomed that great popular upheaval, but its course was contrary to expectations. The Russian Revolution, born of the European War of 1914 and onward, and which overthrew Czarism, was welcomed by the friends of liberty everywhere ; but that revolution has also taken a course which many who welcomed it did not anticipate and do not bless. Democracy in our own day has also hoped for revolution which could overthrow Kaiserism ; the first shots in that revolution have been fired, and its influence has passed over every German State ; but the storm is not yet over, and none can tell how far the fires lighted in Petrograd may extend or what outposts of Europe they may yet consume. The French Revolution was simply an expression of the popular declaration that a sovereign people " derives the civil and temporal authority of its laws not from its actual rulers, nor even from its magistracy, but from itself." * That was the voice of democracy which set up the first French Republic ; nevertheless, before long, Prussia, Austria, and other German States, with Britain, Holland, Spain, and Naples, were in armed league against the Revolution. All Western Europe was involved in war which did not cease till Napoleon Buonaparte, one of the great discoveries of the Revolution, was crushed at Waterloo. Britain suffered less than other countries, whose trade was destroyed, and she was left to undertake the greater part of the trade of Western Europe.

All this had a tremendous influence on the lives of the people. These great opportunities of trade opened up to British manufacturers, thus giving an impetus to the production of British goods. Those engaging in trade were, as is their rule, eager to derive as much profit as possible from their undertakings ; and those profits stood to be augmented in proportion to the use made of time and labour-saving devices, the cheapening of labour, and the increasing of prices. The people's interpretation of these processes was the terse formula, " low wages and high cost of

* Hilaire Belloc's " The French Revolution."

living." There were grave aggravations of these effects in the wars which had raged, and in which Britain had been involved. The war of the Austrian Succession cost us a considerable sum during the seven years of its duration—from 1741 to 1748. In 1754 we were at war with France over American colonial differences. The Seven Years' War, which at the beginning found Britain and Prussia arrayed against France and Austria, involved other nations, cost Europe a million lives, and increased our National Debt to 132 millions before it came to an end in 1763. The War of American Independence which, like many other wars, is now regarded as having its origin in blundering administration, lost us our Colonies, and added 100 millions more to our Debt. War with France in 1778, war with Spain in 1779, war with Holland in 1780, and later struggles at the opening of the nineteenth century in the Peninsula and in France, added nearly 700 millions of expenditure ; and, in short, the wars of ninety years before 1812—the year of Napoleon's disastrous adventure in Moscow—increased the National Debt from fifty millions to about 880 millions.* We scarcely gather wisdom from the centuries, for, while the century from 1720 shows this increase of 830 millions, the century from 1820 shows the appalling increase of over 6,000 millions—and the century is not yet quite completed. Living in an era of false values, of eternal borrowing, of inflated currency, of subsidised food, and of controlled prices for essential goods, we cannot adequately penetrate the gloom that lies ahead of us ; and, indeed, some are so deluded as to think that the abnormal and artificial conditions of the war period will endure, and that there will be no period of gloom to face. We have no doubt, however, as to the reality of the burden which fell upon those who lived at the end of the eighteenth century and the beginning of the nineteenth. The national income was only a fraction then of the national income of to-day. The people then had not the safety-valve of Parliament that the people of to-day have. The workers of the country have now the power of collectivist action at their disposal. They are banded together in trade unions to maintain wages, to reduce hours ; they are banded together in their co-operative associations to secure to themselves the fullest return for the wages they earn ; and, broadly speaking, people

* Sanderson's " History of the British Empire."

may combine in any political association they choose to join, and may exercise their Parliamentary vote on a pretty broad basis, and so, to some extent, affect the composition of Parliament. A hundred years ago the common people who combined for political purposes were under the ban of the law, and "agitators," or propagandists as we should call them nowadays, were liable to banishment if their views were not wholly agreeable to the law-makers. Combination Laws, to the number of about thirty-five,* existed at the beginning of the nineteenth century. "There is one peculiarity to be noted," says Mr Howell, "in the series of enactments under review, namely, their increasing severity and comprehensiveness. . . . There were cases, indeed, where juries refused to convict because, on conviction, the penalties far exceeded what, in their opinion, the justice of the case demanded. *This, however, was seldom the case in respect of offences under the Combination Laws.*"† The fact seems clear that, as the years went on, and till the early part of the nineteenth century, the tendency was for legislation against the workers to become more harsh because the growing severity of the struggle for existence made the workers bolder in their efforts with a boldness begotten of despair. *The Times* of 7th January 1800 stated that: "One of the first Acts of the Imperial Parliament will be for the prevention of conspiracies among journeymen tradesmen to raise their wages. *All benefit clubs and societies* are to be immediately suppressed." One Act of 1819 (60, George III.) provided that: "No meeting of any description of persons exceeding fifty shall be held for the purpose of deliberating on any public grievance or on any matter of trade, manufacture, business, or profession; or *on any matter of Church and State*; or of considering or agreeing to any petition, complaint, declaration, resolution, or address on the subject thereof except, and unless, notice thereof be delivered personally to a justice, signed by seven householders." No person was allowed to attend any such meeting, or return from any such meeting, with any flag, banner, ensign, badge, or emblem, or with music, or in military array or order, on pain of fine or imprisonment. No such meeting could consist of more than fifty persons, or any other person beyond the fifty would be liable to fine or twelve months' imprisonment. The justices

* Howell's "Labour Legislation." † *Ibid.*

could disperse meetings, and persons who did not disperse within fifteen minutes of such a meeting being proclaimed, would be guilty of felony and liable to seven years' transportation.

Political or trade union activities were apparently to be made impossible. Parliament was unrepresentative of the mass. Freeholders only could vote for members of Parliament for counties, and members of the Corporations of Boroughs had also the nominal title to elect "borough" members, although this privilege was held by some local magnates, who "owned the 'borough,'" to be their prerogative. Under these conditions, and recollecting the serious financial plight of the nation with its heavy war debt, we may imagine what happened. Everybody saw hardships ahead. Heavy taxation had to be met. The wealthy did not wish to relinquish any of their wealth, even for taxation to defray the cost of wars which had given the manufacturers large trade monopolies. Two things had to happen. In the first place there was a clamour for "increased output in order to create wealth." Those who are urging the application of the same remedy to-day are therefore not rising to any great height of originality. In the second place, the taxation had to be such as would fall upon the working-classes. So that the Government Controllers whose prerogative it has been to fix prices, and who have fixed them so high as to swell the Excess Profits Duty which constitutes a heavy indirect taxation upon the consumer, have not shown any great originality in principle or purpose, even if their method differs slightly from that of the rulers who represented, and were influenced by, the wealthy classes of a century ago.

The two things suggested actually happened, and brought about a state of affairs that was appalling. Things went from bad to worse during the latter half of the eighteenth century, so far as the "common people" were concerned. Not from the early years of the seventeenth century (1630-40) were the conditions of life so bad as they were from 1790 till 1825—and a few years more might be added to the period. This is a period of which Thorold Rogers writes as "the most disastrous period through which the population passed."*

Taxation ground the people down. An article in the *Edinburgh Review* in 1820 satirised the whole situation, and

* "Industrial and Commercial History."

described the taxation resulting from the war as "the inevitable consequences of being too fond of glory." The description is as follows :—

> "Taxes upon every article which enters into the mouth, or covers the back, or is placed under foot; taxes upon everything which it is pleasant to see, hear, feel, smell, or taste; taxes upon warmth, light, and locomotion; taxes upon everything on earth, and the waters under the earth; on everything that comes from abroad, or is grown at home; taxes on the raw material—taxes on every fresh value that is added to it by the industry of man; taxes on the sauce which pampers man's appetite, and the drug that restores him to health; on the ermine which decorates the judge, and the rope which hangs the criminal; on the poor man's salt and the rich man's spice; on the brass nails of the coffin, and the ribands of the bride—at bed or board, couchant or levant, we must pay. The schoolboy whips his taxed top; the beardless youth manages his taxed horse, with a taxed bridle, on a taxed road; and the dying Englishman, pouring his medicine, which has paid 7 per cent., into a spoon that has paid 15 per cent., flings himself back upon his chintz bed, which has paid 22 per cent., and expires in the arms of an apothecary who has paid a licence of a hundred pounds for the privilege of putting him to death. His whole property is then immediately taxed from 2 to 10 per cent. Besides the probate, large fees are demanded for burying him in the chancel; his virtues are handed down to posterity on taxed marble, and he is then gathered to his fathers—to be taxed no more."

Very probably we ourselves would have been amused at reading this a few years ago, but it is scarcely exaggerated; and, faced as we are with a terrible load of debt, we cannot read the same passage now with the same appreciation of its humour, nor could the working men and women of the period referred to read it with the feelings of intense amusement that could come to the "superior" readers of the *Edinburgh Review*. Sugar was taxed at the rate of 30/ per cwt.; salt was taxed 3½d. per lb. As another writer has put it: "Every necessary and every convenience of life was taxed. Raw materials, staple manufactures, the earnings of the living and the savings of the dead were visited by the tax-gatherer." Now, in a scheme for the raising of revenue by indirect taxation, the wage-earners always suffer. It is beyond doubt that the present war has brought about the practice, among all kinds of business firms, of calculating the possible amount of liability for Excess Profits Duty before fixing the selling price of goods or the fees for service. Similarly, before the war began, the amount of Income Tax was reckoned when the selling price of an article was fixed, so that, instead of

these business people selling in the ordinary way, and paying the duty incurred for excess profits made, or paying the tax on income, they aim at securing a profit which enables them to pay these taxes and still have a larger profit than ever. That is not true of every business firm, for some businesses have suffered a reduction of profits, but it is the fairly general rule to-day. It is, moreover, dictated by a long established and vicious principle that taxes are to be "passed on," a principle which relieves the very people whom a particular tax is designed to reach. When the list of dutiable goods was so comprehensive as at the beginning of the nineteenth century (the list comprised some 1,200 articles), the working people were bound to suffer most, because every necessary of life was included in the list; and, indeed, it is accepted that the wage-earners of that time suffered most severely.

Wages were low and hours were long. The competitive struggle for profits compelled employers to get the last ounce of energy out of their workers at the lowest possible wage. Machinery was new, and the owners of patents would not forgo their fees, which made the machinery pretty costly. But the manufacturers were compelled to use the latest machinery to keep up the output, and, involved in that expenditure, they were forced to economise in other directions. The easiest course for them, when combination was illegal, was to drop wages or to keep wages low in new works. The factories were set up where supplies of labour were greatest, and, therefore, cheapest. Child labour was exploited shamelessly. The children were brought from poorhouses to supply the needs of the factories, and were worked literally to death or deformity or invalidity. Even employers who had reputations for sincere benevolence thought it consistent with their Christianity to keep young children working day after day for twelve hours.

Such conditions foster the germs of the old social trouble known to-day under the new name of "Labour Unrest." The Clyde weavers of the end of the eighteenth century were as sturdy defenders of their rights as the Clyde engineers of the twentieth century are of theirs. The manufacturers, to whom the weavers sold their productions, introduced a new scale of payments in 1787, so that those who think the idea of collective bargaining is new are under some little misconception of the

SIR WILLIAM MAXWELL, K.B.E.

Elected Director 1880, Elected President 1881,

Retired 1908.

THE DOYEN OF THE SERVICE

ROBERT MACINTOSH, J.P., Accountant
Entered the Service as a Clerk in April 1870

past. The new scale meant a serious reduction to the weavers, and, despite the fact that they were probably the best paid artisans in the country,* the prospect of a reduction so incensed them that they struck work. It was not simply a case of "downing tools." They made hostile demonstrations against those manufacturers who were believed to be chiefly responsible for the reduction; but they also raided the workshops of such weavers as were content to take the reduction calmly. Webs were cut from the looms. The webs were deposited in heaps in the streets and burned. It was a wild proceeding; but it was indicative of the desperation of the men. Military forces were called to the suppression of the disorder; the Riot Act was read, but the strikers refused to disperse, and they began an attack upon the soldiers with stones and bottles. The order to fire was given to the soldiers, and three of the strikers were killed and others were injured;† and, at the burial of the victims a few days later, there was a renewal of the outburst attended by further fatalities. It was an early ebullition of zeal on the part of desperate men, who were probably the pioneers of collectivist action *among the working-classes* in Glasgow. The position of the weavers improved slightly for some little time afterwards; but after a while the position of the men grew worse and worse, and work which could bring the weaver thirty-two shillings and sixpence in 1806, brought him no more than ten shillings when the Napoleonic war bill began to be paid. By 1830 the weaver was more badly off still, and his wages had dwindled down to between eight and nine shillings. We get a glimpse of the weaving factory as it then was in an interesting little publication to which reference is made in the next chapter. One contributor to this, describing the place and its conditions, wrote:‡ "Through the caprice of the manager and dampness of the place, it is very unwholesome; and, to crown all, such heavy fines are imposed upon us for no offence that the situation which some time ago was *tolerable*, is now rendered *miserable*." Again,§ the same writer (himself a "wabster") observed: "The managers of these factories may be compared to whips in the hands of the proprietors, calculated only for the purpose of

* British Association 1901 meeting: "Handbook of Industries."

† Cleland's "Annals."

‡ *Herald to the Trades' Advocate*, 6th November 1830.

§ *Ibid.* 18th December 1830.

lashing the poor, *dandy weaver* to his labour." The factory so described was in Glasgow. A Lanark weaver, by dint of hard labour, could earn seven shillings per week on an average. Of that income two shillings had to be deducted for rent of his house and loom, a shilling more had to go for fuel and light, and four shillings remained for food for the weaver, his wife, and his family of juveniles.*

A shoemaker's reward for making a pair of shoes was nominally three shillings, but there were deductions for " material," which left him with but two. Cloth lappers worked under conditions that were slavish. Their wages varied between fourteen and eighteen shillings per week for good workmen, but their usual hours were from 6 a.m. till 8 p.m., and, at the time of which we write, there was trouble in Glasgow because at one factory the men had had to work eighteen hours per day for five days, for which " week " they received five days' pay. One witness testifies to having seen the whip in regular use in one establishment in Glasgow, " lashing boys and young men." Coal-hewers in the Johnstone district worked from fourteen to sixteen hours per day for wages varying from nine to ten shillings per week. In one factory the employees were compelled to work half an hour extra each day in order to pay for the gas light used in the premises. Hammermen, whose work was certainly laborious, were paid fourteen shillings per week in some districts, although the wage for these men in Glasgow was a guinea.

The cotton mills were notorious for the bad conditions of labour in England, and they were no better in Scotland. The first cotton mill in Scotland was erected at Penicuik in 1778; the following year a second was established at Rothesay, and mills at Barrhead, Johnstone, Catrine, Doune, and Lanark were among the earliest to follow. Among other classes of workers wages were also deplorable. A labourer's wage was about seven shillings per week. A millwright averaged about ten, masons got about eleven, copper-plate printers commanded between seventeen and twenty shillings, block-printers were paid from four to six shillings per week. Food prices were constantly rising. Between the middle of the eighteenth century and the period to which we have recently been referring (*circa* 1830), the prices of many essential articles were trebled and—as we have

* *Herald to the Trades' Advocate*, 25th December 1830.

seen in some cases—wages fell. The prices charged and the profits earned were described in an interesting fashion in the *Herald to the Trades' Advocate*, by "An Auld Weaver."*

> "The cloth merchant will sell us a hat, and only charge for handing it over the counter about three times as much as one of our number will get for making three. . . . If we go to purchase a stuff gown once in the year for our wife and daughter, the shopkeeper—for measuring eight or nine yards of it, which ought not to occupy five minutes—will take as much for his trouble as we will get for toiling hard for thirty hours. . . . The staff of life is enhanced by the iniquitous Corn Bill, but it is doubly so by the profits of the master baker, the master grain merchant, the roguish miller, etc. The best flour, notwithstanding this obnoxious law and the extravagance of the aristocracy, could be produced for 36/ per bag under proper arrangements, and baked for 5/, which could give us a fine quartern loaf at 6d. In many parts, where it is baked into smallbread, it costs us about 13d. per quartern loaf. How inconsistent, quietly to submit to a few individuals who tax us on this first necessary of life to the amount of 100 per cent. and upwards, and yet make such a cry out against the Government, who do not tax it above 5 per cent.! . . . If we want *a bone* to make a drop of broth on Sunday, the distributors have the cheek to ask 2½d. . . . Tobacco yields a profit of 30 per cent. and upwards, joining the profits of the master and distributor. This is effected by adulterating the tobacco with copperas and water, in order to make it a good black, but in reality to make it heavier."

The "auld weaver's" logic has carried the world of labour into many wise movements, and this particular "auld weaver" drew no exaggerated picture. Employer and shopkeeper attempted to squeeze all they could out of the victim of the enterprise. The employers were not content with their fair share of the loot, and many sought to grab the shopkeeper's share also by introducing the Truck Shop as part of the works establishment, and compelling the workers to purchase there whatever necessaries they could afford. The workers had no redress, because, if they complained, they had to leave; and it appeared to be better to stay and be fleeced, than to go and starve; but many both stayed and starved. The shopkeepers, on the other hand, were no better than the employers, for dishonesty was rife, and many of the people were tied by debt to shopkeepers whom they knew to be dishonest; and, as we have already seen, the workers were deprived by law of the power of combination, which was in later years to become so effective an instrument for the redressing of wrongs which, it will be admitted, called out in anguish for redress.

* 4th December 1830.

II.

ADVENT OF CO-OPERATION AND GROWTH OF THE MOVEMENT TILL 1860.

SEEKING FOR RELIEF—THE FENWICK ENTERPRISE AND OTHER EARLY EFFORTS—BRIDGETON AND LENNOXTOWN—PIONEERS OF THE DIVIDEND SYSTEM—CO-OPERATIVE BAKERIES, 1800–15, KEEP DOWN BREAD PRICES—OWEN'S PLACE IN THE MOVEMENT—ALEXANDER CAMPBELL, PROPAGANDIST—SCOTLAND'S FIRST CO-OPERATIVE JOURNAL—PROJECTED SCHEMES OF PRODUCTIVE CO-OPERATION—CO-OPERATIVE EFFORT OF TRADE UNIONISTS—THE ROCHDALE SYSTEM ANTICIPATED—ROCHDALE AND OWENISM—THE ADVANCE FROM 1844.

PLACED as the people were during those years, they had every incentive to "explore every avenue" leading towards emancipation. The political way out did not seem to appeal to very many at first, because the reins of electoral power had been so tightly held by those in authority that the prospect of working-men voting for members of Parliament seemed like "a funny dream" to the generality of workers, just as "votes for women" did to some of our leading statesmen before the war-drum called the women to the factories and the field. In 1793 there were twenty Parliamentary members returned by Scottish counties with no more than 100 voters, ten were returned by counties with no more than 250 voters, and fifteen members were returned for fifteen burghs with no more than 125 voters. The number of county voters in all Scotland was 2,624, and the largest county was Ayrshire with a voting strength of 220; while the total number of burgh electors was 1,289. In Edinburgh, which had a population of over 100,000, thirty-three persons had the election of a member of Parliament.* Men knew this kind of thing was not right, but the Combination Laws described in the foregoing chapter made it a penal offence to say so in a crowd. This part of the world then—even, perhaps, as now—was not "safe for democracy." For twenty-five years before 1795 there had

* "St Mungo's Bells," by A. G. Callant.

not been a meeting in Edinburgh at which politics formed the theme of the discourse. Thomas Muir kindled the torch of the Reform movement in 1792, but his guerdon was a fourteen years' banishment sentence,* and the first fruits of his agitation did not come to Scotland till the Reform Act of 1832, which many regarded as the acme of enfranchisement for the workers. Economic emancipation by direct Parliamentary action was, therefore, beyond the hopes of unenfranchised workers. The Combination Laws were repealed in 1825, but the right of public assembly was not asserted till the passing of the Reform Act; and, for many years after, many of the purposes served by the Combination Laws could be effected by wilful misinterpretation of judicial prerogatives.

Under these circumstances, at any rate till 1825, the workers could not hope for economic emancipation by means of trade unionism any more than by political action. To have established a Co-operative society with modern Co-operative ideals, or with such a modified programme as the British Co-operative Congress had adhered to prior to the Swansea gathering of 1917, would have been illegal, and might have been accounted seditious. Besides that, the ideal had not dawned upon the people till the nineteenth century was well begun. The workers and their families were faced with a very simple but extremely serious problem—viz., How to procure the bare essentials of life when the said bare essentials are only procurable at a sum greater than the wages available. The non-essentials had been dropped out of the working-class *menu* and wardrobe; and the modest furnishings of the home showed the same vigorous economy—for the same room served the purposes of kitchen and boudoir, drawing-room and bedroom, dining-room and wash-house, birth chamber and mortuary. The whole trouble was to procure the barest essentials. The working-people could not work more than was humanly possible; they could not compel the employers to pay better wages, and, as we have seen, the employers were gradually paying lower wages; they could not compel the retailers to sell at lower prices, and, as we have also seen, the prices were rising. The workers gradually observed that the retailer's stocks had to be purchased, and that the retailer must

* This sentence was pronounced by the notorious Lord Braxfield, part of whose estate David Dale purchased for his New Lanark experiment.

purchase them at a price below that at which he sold. It seems a simple process of reasoning to us when trade unionism has reduced the length of the working day, and the Education Acts have prescribed that all must be educated. The inspiration came more slowly to men working excessive hours, and whose non-working hours were filled with care and worry, and financial worry at that. The simple process devised was to make an effort to secure goods at the same prices as the retailers paid for their stocks. We cannot tell how early the workers began to resort to this method, but the Fenwick Weavers' Society, to which reference is made in the "Foreword," left authentic documentary evidence to prove that they had put the method into practice successfully for about thirty years. The society is described in "Matthew Fowlds and Fenwick Worthies";* and Mr Maxwell, in his "History of Co-operation in Scotland," has published the minutes of the meeting of the Fenwick Weavers at which it was resolved to set up their co-operative system of buying and selling, and he has also given a tabular statement of the money invested, and the profit and loss resulting, each year from 1770 to 1800. The Weavers' Society existed, notwithstanding the Combination Laws, because it was simply a benevolent society, free from the taint of political intent. The Weavers' Corner, still to be seen at Fenwick, although now adorned with one of His Majesty's letter-boxes, was to the weavers of the village what the Craufurdland Bridge was to the thinkers of Kilmarnock nearly a century later. There they used to assemble and chat about everything that troubled them.

Where these men held their formal business meetings as a society the writer has been unable to trace, despite a searching visit paid to the place under the guardianship of Mr James Deans, the secretary of the Scottish Section of the Co-operative Union, who has a wonderful faculty for unearthing the oldest inhabitant of almost any Ayrshire village, and, we may add, who is himself well known in every Ayrshire village. On 9th November 1769 the members of the Weavers' Society decided to take what money they had in their box and buy victuals to sell to the society. The victuals consisted chiefly of oatmeal, which the society bought at the wholesale price and distributed to the members who wanted it. The rule was that, after paying

* See Appendix I.

DAVID DALE AND OWENITE ASSOCIATIONS

(1) David Dale's House, Glasgow.
(2) David Dale.
(3) Robert Owen.
(4) Mills and Village of New Lanark.

OLD-TIME SCOTTISH CO-OPERATIVE BOARD

BRECHIN EQUITABLE SOCIETY'S COMMITTEE AT WORK, 1861

interest on the capital, and after paying the men for buying and selling the victuals, the society would "reap the benefit or sustain the loss." It would be of the greatest interest to learn more of the methods of the society. What did it do with the profits? Did these "trading profits" go to the benevolent objects of the Weavers' Society? It is true the profits were not great. The highest profit recorded for a single year is £4, 1s., and in one year there was a loss of £7, 5s. 9d.; so that it would appear that profit-making was not aimed at. If the society meant to use possible profits for the common good of the members by supplementing benevolent funds from trade, even to the limited extent the records of profit show, then we had Owen's effort anticipated at Fenwick two years before Owen was born. If the profit was only the incidental result of trying to sell at the lowest price compatible with averting a loss, we still have a system which compares with Sir Leo Chiozza Money's description of co-operation as "working-men clubbing together to do things for themselves." In either case, the Fenwick venture put into practice a principle which present-day co-operators are derided and impugned for advocating—viz., the principle of "eliminating the middleman." They did it in a purely local fashion and to a very limited extent; but the sphere and the extent do not detract from the principle. No doubt similar ventures were attempted and carried out elsewhere, but no documentary evidence has been unearthed to prove the existence of an earlier venture of the kind; and so the Fenwick Society must take pride of place as having established itself twenty-five years before the Mongewell Co-operative Store, which George Jacob Holyoake—who died before the Fenwick records were found—regarded as the first known Co-operative venture.

Eight years later than the Fenwick Society, or in 1777, the Govan Victualling Society was established. It struggled on through one hundred and thirty-two years, but there seems to be less known regarding its origin than is known of Fenwick. The merging of Govan in the City of Glasgow will no doubt stir up feelings of local patriotism if it be true, as a learned divine said at a Co-operative Congress, that "true imperialism begins at the parish pump," and that local patriotism may inculcate in Govan natives a fondness for old Govan traditions and institutions, which will lead to the discovery of some of the old

records of the Victualling Society. In that case we may learn more of the methods and objects of its founders than we know at present. The demise of the society in 1909 transferred from Govan to Bridgeton the distinction of having the oldest Co-operative society in the world. The Bridgeton Victualling Society—now the Bridgeton Old Victualling Society—came into existence in 1800, but of its early methods we know as little as we do of the Govan Society. For some years it stood alone as the only Glasgow Co-operative Society trading in intoxicants. That trade had always been a barrier in the way of an amalgamation of societies in the East End of Glasgow. That is perhaps an irrelevant observation to make here; but the only purpose the writer has in making it is to suggest that if, in the near future, the societies in the east of Glasgow do unite to form one, the name of the Bridgeton Old Victualling should be preserved somehow on account of the antiquity of the society.

While the absence of records makes a study of these early Co-operative ventures almost impossible, it is fortunate that the Lennoxtown Friendly Victualling Society affords an opportunity for judging more clearly the purpose of its founders. The society was established in 1812, and its minute-books since 1826 are in excellent preservation. The writer has pored over those old minutes with interest, and their implications have been set forth in the society's Centenary History. The society is now part and parcel of the Co-operative "federation of the world," being linked up with other societies in the Co-operative Union, the Wholesale Society, and the International Co-operative Alliance; it espouses all the ideals of Co-operation as they are propagated to-day; but in 1812 it had no ideals. Its members had other things to think of besides ideals. They shared with their compeers the struggle for existence, and the struggle in the Parish of Campsie was peculiarly bitter. The members wanted food, and they "clubbed together" to get it at a price within their reach. While later societies adopted the principle of dividing their profits on the capital of the members, thus "helping the capitalist" as we would say to-day, the Lennoxtown people saw that there was something wrong there, and, under certain conditions, the rules declared the profits should be divided in proportion to purchases. What the actual practice was, or how it worked out, is a little obscure, because

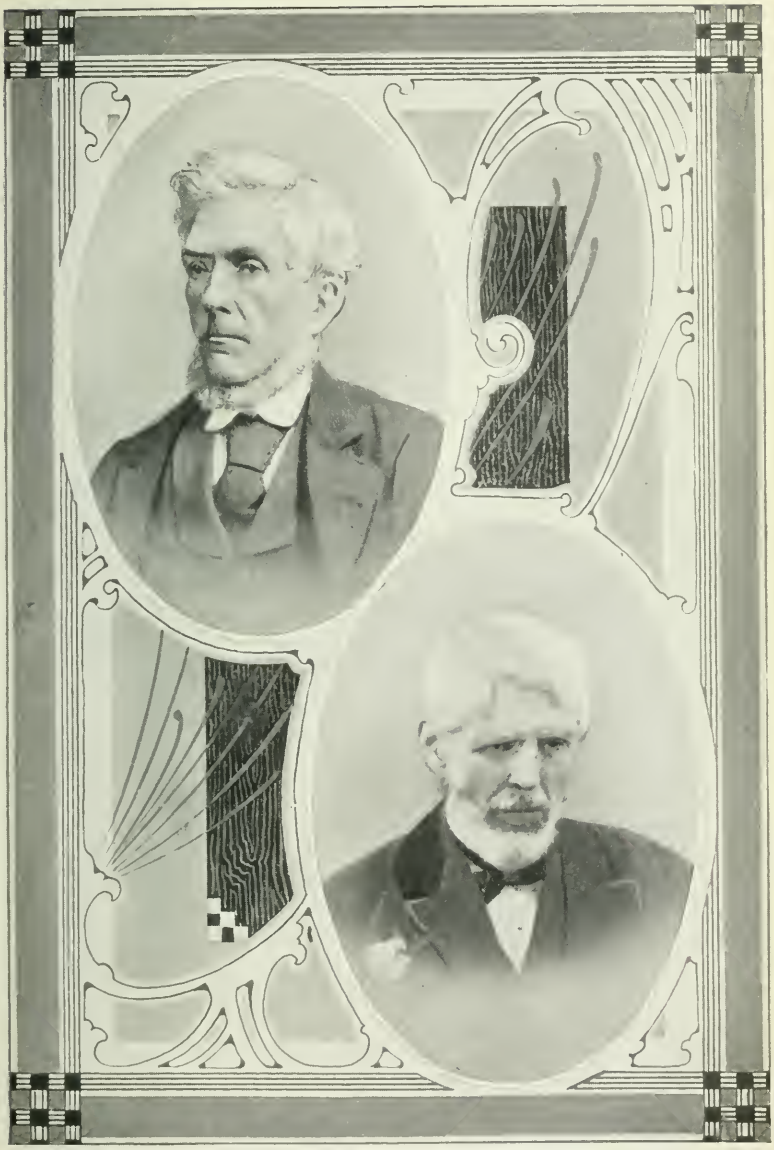
of the wording of the minute ; but the fact stands out that the principle of dividing profits upon purchases was recognised, although the rules provided an alternative method. In Lennoxtown there was difficulty in keeping the society going, because the Truck system operated at the bleachfields ; workers had to purchase goods at the works' store, and so they could only purchase very little from the co-operative store. The result was that the membership was very limited, and, after fourteen years' trading, its roll only included about sixty-five names.

Prior to Waterloo there were in existence numerous Co-operative baking societies, which did their business on the non-dividend system and rendered admirable service. We cannot trace their names, and it seems that they were established by people a little above the financial level of the ordinary worker ; but their method was apparently similar to that of the Fenwick Society. The records of the magistracy of Glasgow give authentic evidence of their existence, while their system is outlined in Cleland's " Annals," to which we have already referred. In 1758 an Act had been passed for regulating in England " the Assize and Price of Bread." That Act did not apply to Scotland, but its provisions were extended to the Northern Kingdom by an Act of 1784. The Act authorised the Magistrates and Justices of the Peace to regulate " the price and assize of bread, and to punish persons who shall adulterate meal, flour, and bread." The last assize was fixed in December 1809, when it was ordained, *inter alia*, that the quartern loaf should weigh 4 lbs. 5 oz. 8 dr., and that the half-quartern should weigh 2 lbs. 2 oz. 12 dr. ; the price of the quartern wheaten loaf was fixed at 1/8, and of the quartern " household " loaf, 1/3. These were prices to which bread did not rise in Scotland in the great war which is now being brought to a close ; and, since 1800, prices were not fixed by law in Scotland till the ninepenny subsidised loaf was introduced. The magistrates assembling in 1801 decided not to fix a price again in Glasgow, but they stipulated that the weight of the loaf should remain, and they had power to impose penalties for reduction of the weight. In Edinburgh and Perth and other places nearer the wheat-growing districts, the price of the loaf was lower, even if only slightly, than in Glasgow, which had to pay carriage on its wheat ; but it is recorded that the public had to pay more for their

quartern loaf when no assize was set. The case is a century-old parallel to the experience of the people during the great war, for it has been evident that till the Government, somewhat tardily, controlled prices there has been a tendency for the prices to go up, although, in some cases, Government control of supplies, without control of prices, has also been followed by a rise in prices. The part played by the Co-operative baking societies of 1800-1815 is described in Cleland's "Annals" in language which makes the tribute all the more valuable because it came from one who was not influenced by the publicity such as is given to Co-operative enterprises and Co-operative aims to-day; and so we cannot do better than quote the reference in full:—

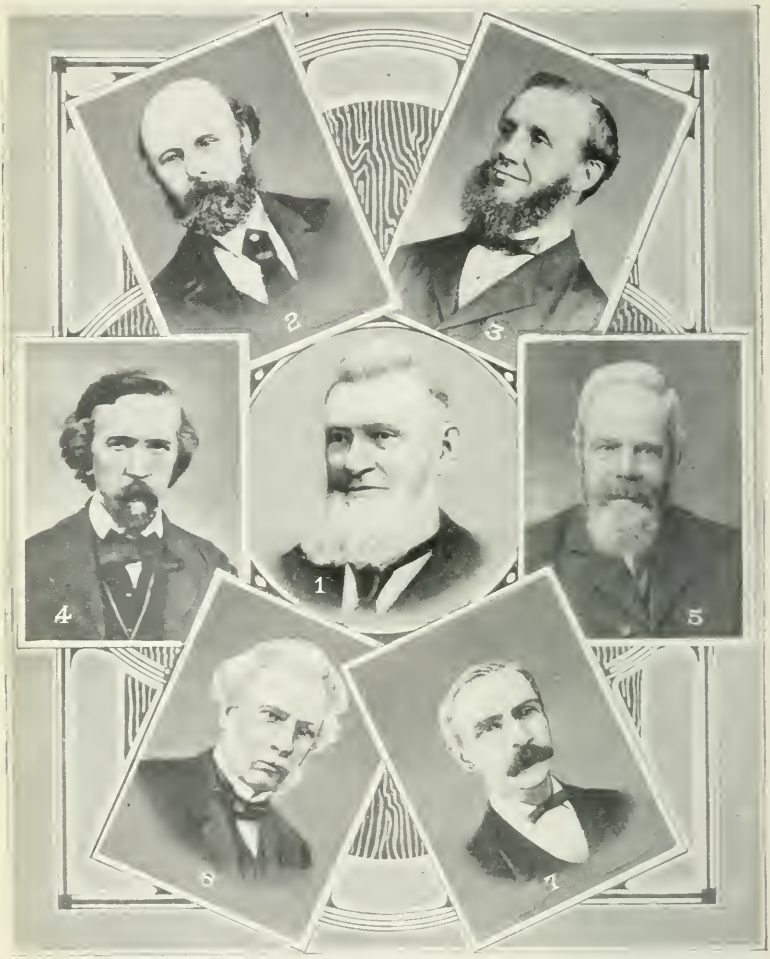
> "Baking societies have been established in the suburbs (of Glasgow) who uniformly sell their bread one penny, twopence, and sometimes even threepence or fourpence, on the quartern loaf, lower than the bakers' prices. From this statement it would seem, at first sight, that the rate at which the bakers sell their bread is higher than what is exactly necessary to secure a fair profit; this, however, is not the case, for the bakers are on an equal footing with the societies who do not sell to any person but to their own members; they give no credit, and receive neither profit from the concern nor interest on their capital; besides, the members, having no partner to superintend the concern, are particularly subjected to the risk of loss, incident to the breach of trust in their servants."

We are guided in our view that these societies were conducted by those above the working-class level by the indication given, in a subsequent reference, to the fact that they baked no coarse bread, and no loaf less than the quartern; but even that does not destroy their Co-operative character, and it only goes to show that even the better-off people found it desirable to economise where and how they could during those trying times. Nevertheless, the fact that these societies (by which is clearly meant the members) "received neither profit from the concern nor interest on their capital" is one that some Co-operators with "reforming" tendencies will no doubt note with interest. In 1821 Larkhall Victualling Society, which still flourishes, came into being because a number of the inhabitants (according to the society's articles) viewed "with serious concern the many disadvantages they are under in purchasing the necessaries of life," and the society was constituted "for the sole purpose of purchasing different articles and necessaries of life at the first markets, and retailing them at the lowest possible terms." It



JOHN M'INNES (Top) and JAMES BORROWMAN, late photograph (Bottom)

EARLY ENGLISH AND WELSH HELPERS



(1) Abraham Greenwood, first C.W.S. president, who gave valuable help to the promoters of the S.C.W.S. (2) J. C. Edwards, secretary and cashier of the C.W.S., who attended two of the preliminary delegate meetings in 1865-66. (3) Joseph Woodie of London, founder of the Christian Socialist Wholesale Agency in 1850, and who bought goods for the two Wholesales in their early years. The others represented were speakers at the celebration of the opening of the first Paisley Road warehouse, September 1873. They are (4) G. J. Holyoake as he then was; (5) James Crabtree, second C.W.S. president; (6) Lloyd Jones, an Owenite in 1832; and (7) William Nuttall, secretary of the Co-operative Congress.

was a laudable object, but, still, as in the case of many other societies in those early years of Co-operative experiment, there was nothing in the methods of the society to suggest that the members had anything that could be called idealism or that they were taking what might be called "a long view." Idealism was to come with the rising of a new influence, and that new influence was Robert Owen.

Around the name of Owen there have raged many controversies with which we are not concerned here. We have only to consider briefly how his experiments affected the popular vision, or, to be more correct, created a popular vision and influenced the men who set up the Co-operative organisation as we know it to-day in Scotland. Owen, born in 1771, had only a poor education when he went to work with a London draper, at the age of ten; but the use which he was allowed to make of his employer's library was of the greatest service to him, and when he was nineteen he was the manager of a Manchester cotton mill, with 500 employees under his control. At Manchester "he effected a most happy change in the habits and conditions of the working-people in the establishment; but so little to the detriment of the proprietors that they raised his salary to three, four, and five hundred pounds a year; and they desired him to name his own terms if he would continue to superintend their workpeople, whose health, education, and comforts he had improved, while he had diminished the length of their day's work."* A partnership was promised, but the prospective son-in-law of the millowner objected, and Owen left the mill. He entered into partnership with two others, and in pursuit of business he visited Glasgow, where he met David Dale, for whom Dale Street in Tradeston and Dale Street in Bridgeton, Glasgow, are named. Dale, in his way, was as remarkable as Owen. Dale was a herd-boy at Stewarton, near Kilmarnock, and he became a weaver at Paisley, Hamilton, and Cambuslang. He went to Glasgow to try his luck there. Countless thousands have regarded the Broomielaw as the threshold of prosperity; but few fared so well as David Dale. He became a linen dealer, and set up a little import trade in yarns. His next venture was as a millowner, and while engaged in that trade as Campbell,†

* Lord Brougham in the House of Lords, 15th March 1853.

† Campbell was Mrs Dale's maiden name.

Dale, & Co., he was also a manufacturer of printing cloth, under the name of Dale, Campbell, Reid & Dale.* He combined with Sir Richard Arkwright to set up a great cotton mill at New Lanark. The ground was secured in 1784, the foundation stone of the first building was laid in 1785, and in 1786 spinning was commenced. These mills were the largest cotton mills in Scotland, and were at one time the largest in Great Britain. The Blantyre mills were also his, and he was extensively engaged in industrial enterprise in various parts of Scotland. His wealth grew, and yet Dale was a philanthropist who simply shovelled out his money. In what were described as " the terrible years," between 1782 and 1799, when meal rose to 21/4 per boll, he chartered ships and imported great quantities of grain to be sold cheaply to the poor people. To run the great cotton mills he actually founded the village of New Lanark on ground bought from the Braxfield estate. The place prospered from the proprietor's point of view, an addition to the mill was built in 1788, and by 1794 the whole establishment employed 1,300 hands. Much of his labour was imported. Dale acted in a benevolent sort of way to his workers—benevolent, at least, for that period. Robert Owen, as we have said, was deeply interested in the welfare of the workers under his control at Manchester. When his intimacy with the Dale family grew (he married Miss Dale) he visited the mills at New Lanark. He was impressed with the responsibility of employers, and particularly impressed with a report submitted to a Manchester committee by a friend of his own, Dr. Perceival. Dr. Perceival complained of the injurious nature of factory life, and of the long hours of work to which the children particularly were subjected. The prevailing conditions, according to Dr. Perceival, not only tended to diminish future expectations as to the general sum of life and industry by impairing the strength and destroying the vital stamina of the rising generation, but to give encouragement to idleness, extravagance, and profligacy in the parents, " who, contrary to the order of nature, subsisted by the oppression of their offspring." Under the prevailing conditions, people were growing up physically and mentally stunted, living in overcrowded houses wherein human relationship and family order were disturbed, suffering from the effects of excessive

* " St Mungo's Bells."

labour. David Dale had the best intentions, but he lived in Glasgow, his mills were at New Lanark, and railways did not exist, so that the owner of the mills was generally absent, his personal influence was missed, and conditions at New Lanark rapidly grew to be as bad as the conditions of factory life elsewhere. So Owen found them. He saw in this isolated community, surrounded by all the grandeur of nature at its loveliest, an opportunity of putting into practice ideas which he could only carry out in a limited fashion at Manchester. He discussed the situation with David Dale, and, eventually, he was able to form a company which bought the mills and installed him as manager.

Owen entered upon the management of the mills in 1800, on New Year's Day. He saw that vice was common, but he felt that he would be doing no lasting good by sending those away who were causing trouble. He took up his residence among the people, and assumed the role of benevolent despot, if that term be not too hard. He took the responsibility of foster-father to the whole community. His first resolve was that no more poorhouse children would be brought to New Lanark, where there were already about 400 or 500 of them being exploited despite David Dale's benevolence. He proceeded to influence legislation in favour of the restriction of the hours of child labour, a reform in which he encountered opposition even from well-intentioned people, who deprecated any attempt to interfere with freedom of contract between master and servant. The mills were overhauled in order that the surroundings of the workers might be made brighter; machinery was improved so that the workers might be made safer. The tyrannical methods of the overseers were suppressed, prosecutions were abandoned (even for theft), and the people were taught to realise that crime did not lie in being found out, but in its commission. When a scarcity of raw cotton brought many mills to a standstill in 1806, the workers at New Lanark were kept on to clean machinery and make alterations. The stoppage of production lasted for four months, but nobody lost a penny of wages at New Lanark, and the situation was something new and original. It established Owen among the people, however; and, thereafter, his influence increased enormously. His partners grumbled because they did not like such methods, but the work done was more than ever, and the mills were more profitable than ever.

Mr James Deans, in a memorable inaugural address at the Co-operative Congress of 1913, urged that the aim of Co-operative employers should be to make Co-operative employees feel that "their jobs were too good to lose." That was how the New Lanark mill-workers felt under Robert Owen's scheme. David Dale had made arrangements for educating the children employed at the mill when their day's work was over; Robert Owen thought that was no time to attempt to educate children, and he set up a school where they could be taught before going to work at all. His proposal to spend £5,000 on this scheme led to further trouble for Owen, trouble which he only overcame by buying his partners out of the business. Several times similar troubles arose, but he overcame them in the same way. His school was one of the wonders of Europe. The children were taught, in addition to the elementary subjects, natural history and geography, singing and dancing, drill—and sewing for the girls. In one year 20,000 visitors, including the Czar Nicholas I., went to New Lanark to see the wonderful school; and those who went marvelled at the deportment, conduct, and enlightenment of the young people of the village.* Social evenings were arranged for the pleasure of the people. To enable them to live more comfortably, and at less expense, a store was set up. It was not a Co-operative store. It was the property of Robert Owen, and was managed by him. He bought the goods in bulk and sold them at the lowest price, thus saving the people 25 per cent. of what they paid formerly. Later, it appears, the goods were sold at a profit, and the profit was utilised to defray educational expenses. The work was going on gloriously, but Owen's new partners objected to much of it; they objected to boys in kilts; they objected to the dancing being taught; they objected to Owen because he was a secularist; and the continual worry, coupled with his complete failure to come to terms with them, compelled him to retire from the business after twenty-eight years.

Owen had shown "that by reducing the hours of labour, by increasing the wages, by improving the factories, by educating the people, by affording the young and old leisure and opportunity for social intercourse, by enabling them to secure their

* This is the agreed verdict of all serious commentators on the New Lanark scheme.

goods at 25 per cent. less than they formerly paid, and by his other beneficent measures, the people were made able and willing to give better service; that the quality of their work improved; that culture and refinement took the place of vice and ignorance; and, strangest of all, that people became anxious for higher planes of culture, and more eager to improve the common lot."* People saw the great possibilities for themselves. While at New Lanark Owen began to publish *The Economist* to propagate his ideas. He was rapidly surrounded by disciples ready to aid him in the carrying out of his ideas. People saw what he had done out of the profits of trade, and they began to establish Co-operative societies, not simply because of the burden of the cost of living, as had been the case at Fenwick and Bridgeton and Lennoxtown, but to supply themselves with their requirements, and to utilise the proceeds of their trade for the same ameliorative purposes as he had carried out at New Lanark. The New Lanark experiment had opened up a new hope for the people. For miles around Glasgow, Alexander Campbell became the most ardent apostle of Owenism. Some societies were formed which did not seek his aims; but by 1831 there were 313 Co-operative societies† throughout the country more or less pledged to his aims. Writing from the Co-operative Bazaar, 42 London Street, Glasgow, to Mr Littlejohn, M.P. for Staffordshire, Alexander Campbell explained the aims of the Co-operative societies as he knew them :—

> " These societies were generally composed of the working-classes; and their capital, held in small shares, payable by instalments, is to be applied to the following objects :—The purchasing at wholesale prices such articles of daily consumption as the members require, and retailing them out to them and others, at the usual retail price, adding all profits to the stock for the further object of giving employment to members who may be either out of work, or otherwise inefficiently employed, and thereby still increasing their capital to obtain their ultimate object—the possession of land, the erection of comfortable dwellings and asylums for the aged and infirm, and seminaries of learning for all—but more especially for the formation of a superior character for their youth, upon the principles of the new society as propounded by Robert Owen."‡

* International Co-operative Congress Handbook, 1913, by J. A. F.

† These societies were all in correspondence with the British Association or Promoting Co-operative Knowledge.

‡ *Herald to the Trades' Advocate*, 12th February 1831.

There are the ideals of the Co-operative societies of that period expressed. They were ideals that had not originated till Robert Owen made his experiments, and they were ideals that had not been propagated till the results of his experiments showed the working-people what they might do for themselves. Rev. Thomas Gordon, of Falkirk, addressing a Co-operative propaganda meeting in the Mechanics' Institute, Glasgow, on 29th September 1830, declared that the objects of Co-operation were to secure to the working-classes all the profits of their industry without violating the laws of the country. They were to sell to members of their societies, not to divide but to accumulate their property, buy land, build houses, employ themselves, and apply the profits of the funds to the benefit of every man and woman. "What," said Mr Alexander Campbell at the same meeting, "will it signify what kind of Government you can obtain, if the present competitive system continues? . . . The people must now act for themselves; they have too long prayed and petitioned others for that which is within their own power." At a subsequent meeting of tradesmen Mr Campbell advocated that the vote, for which men were then clamouring, should be extended to women—a plea that was greeted with laughter*—but he impressed upon the audience that no plan of electoral reform would benefit the working-classes unless they themselves would, by uniting, retain the produce of their labour. In another speech he was arguing that in a world run on Co-operative principles there could be no war—an evil from which the people suffered even in 1830 and 1831, when the second French Revolution was in progress, and a "scrap of paper," now historic, was about to be signed.

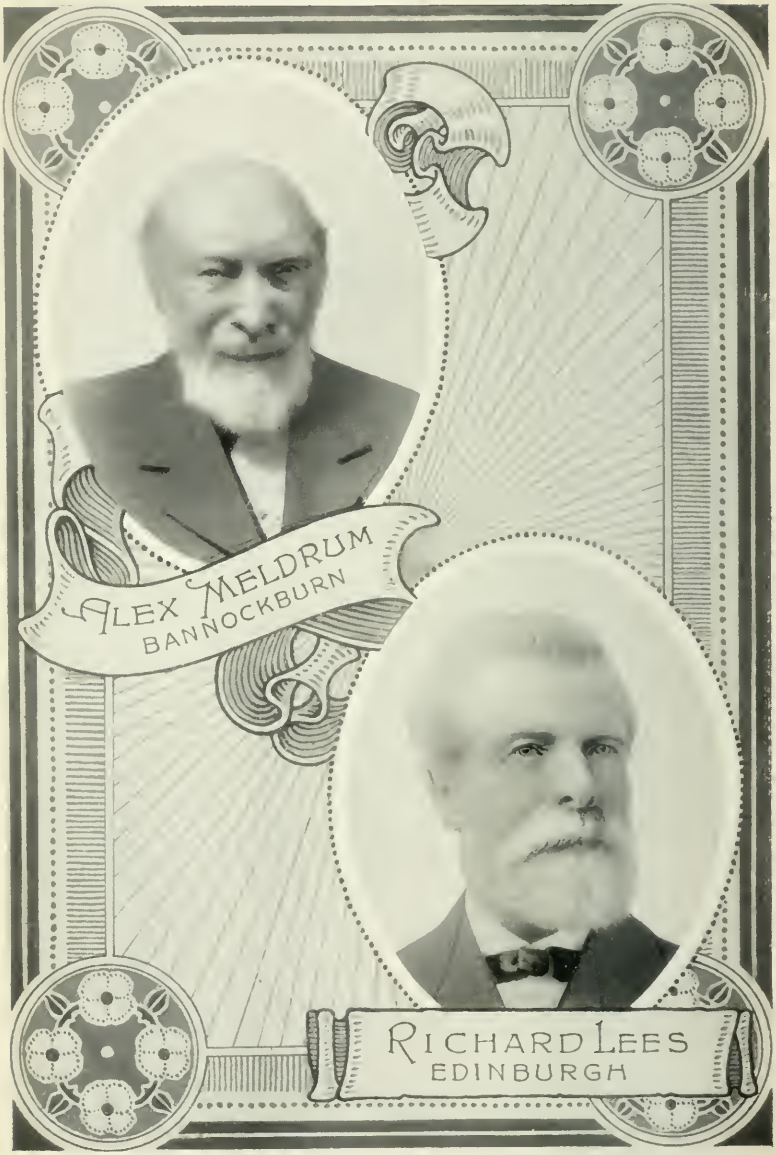
There is a general consensus of opinion that most of the societies that had existed prior to this made it their practice to divide the profits, as the manufacturers did, on the capital the members had invested. Alexander Campbell propagated the system known as the Rochdale system in 1822, twenty-two years before the Rochdale Pioneers Society. Campbell claimed that he had done so,† even after the distinction was claimed for Rochdale. Campbell's own society—the Glasgow Co-operative Bazaar—did not divide its profits in that way. Its method, and

* *Herald to the Trades' Advocate*, 12th March 1831.

† See Records of Social Science Congresses.

THE TWO GENERAL MANAGERS

(1) James Borrowman (early photograph). (2) James Marshall.



Mr ALEX. MELDRUM, Director in 1868 and President in 1871, and
Mr RICHARD LEES, Director in 1868, lived to see the Wholesale's Jubilee.

the method adopted by the Tradeston Society, which was also in existence in 1830, was to add all profits to stock—by which was meant capital—so that, with all their deficiencies, these old Co-operators had begun to see the value of "impersonal capital" to which no individual could lay claim. Campbell, however, was a persistent advocate of payment of dividend on purchases, so that the profits should be allocated to those whose trade created them. Charles Howarth, of Rochdale, is credited South of the Border with having been the inventor of this system, and it is doubtful if full justice has been done to Campbell.*

The aims of the Co-operators did not stop at distributive trade. Meetings of tradesmen were being held all over Scotland for the purpose of forming unions which would not only preserve wages, but which would organise subscriptions which would enable the unions to employ their members. Goods produced by the members of one union were to be sold or exchanged to the members of other unions; and, in that way, the workers hoped to derive the "full profits of their labour." We have before us in the *Herald to the Trades' Advocate* reports of the countless meetings of workmen held to discuss such projects. The little journal we refer to was only the pioneer of what was intended to be a Co-operatively owned and controlled newspaper. It was owned by the trade societies in existence. The Glasgow Co-operative Bazaar Society and the Tradeston Co-operative Society were both part owners of it. The *Herald* was to pave the way for the *Trades Advocate and Co-operative Journal* in Glasgow; a similar paper was being issued by the Belfast Co-operative Society, the secretary of which (James Kennedy), writing to the Glasgow Co-operative Society on 21st December 1830, described the *Herald* and the projected *Advocate* as "the first systematic attempt on the part of the people to tell their own story." The pages of this little weekly journal contain frequent reference to the misrepresentations of the workers' cause published in the *Glasgow Herald* and *Courier* and in the *Scotsman*.

* Mr William Nuttall, in 1870, discovered that the Meltham Mills Society, which was established in 1827, had divided profits in proportion to the purchases from the very beginning. Comprehensive details of the society, including members' purchases and dividends, appeared in the *Co-operative News* in 1871. Neither Campbell nor Howarth appear to have known of the society or its methods.

All these efforts show to what an extent Co-operative thought was developing among the people. In a general sort of way it might be said that most of the individual Co-operators of the period were pretty much inclined to Radicalism in politics, some were thorough-paced Socialists after Owen's heart, but some—who were in accord with the idea of using their collective power for their common good—were not followers of Owen's theories in full. Nevertheless, in nearly every case, the society was open to all who cared to join, and the *Herald to the Trades' Advocate* urged that none should be debarred by the introduction of "metaphysical" questions in the societies. One notable exception to the general rule was the Hawick Society, established in 1839, which for a considerable time would admit no member who was not a Chartist. All these early societies were without any connecting link except the common bond of similarity of purpose. A Congress was held in Manchester in 1830, which may be regarded as the first step in welding these isolated societies into a common movement. The societies that existed were small, chiefly because the sharing of profits according to capital operated unfairly against the poor man with the large family and the large purchases, and in favour of the more prosperous man with small purchases and with capital to spare. The Hungry Forties aggravated the anxieties of the people. The weavers of Rochdale, to whom Howarth propounded the idea of dividing profits according to purchases, so that the larger purchasers would have the larger share, adopted the scheme and formulated it in the code of rules governing the Rochdale Pioneers' Society established in 1844, and so the system became known as the Rochdale system. It had a wonderful effect on the working-classes. It promised a fixed rate of remuneration for capital used in the society's business, and gave to the purchasers the profits that remained, each receiving in proportion to the amount of purchases. The profits so earned were to augment the capital of the society when members could afford to allow their share to lie in the funds; and, with the capital so accumulated, the Rochdale weavers proclaimed it their intention "to proceed to arrange the powers of production, distribution, education, and government; or, in other words, to establish a self-supporting home colony of united interests or assist other societies in establishing such colonies." We find it difficult to

distinguish between these ideals and Robert Owen's. Societies in existence rapidly changed their methods when they saw the success that attended the Rochdale experiment of "sales at market price, cash trading, and profit in proportion to purchases." It gave these societies a wonderful stimulus. Members were able to subscribe the necessary instalments of capital in small sums. People willingly paid the Co-operative price because they knew the committees who regulated prices for the store had no interest in fixing them at a higher level than necessary; and they knew also that, if the society made a large profit, the share of profit credited to them would be large in proportion to their purchases. Philanthropists patted the Rochdale Pioneers on the back; here and there local employers encouraged the people to form societies to carry on their little experiments in shopkeeping. Many of these patrons only saw the little struggling shop, served sometimes by the committeemen in their turns, and they could not visualise the great movement which is now in being, far though Co-operation may yet be from its avowed goal.

A combination of circumstances aided the movement. The Chartist movement, which began in 1838 and was carried on for ten years with remarkable vigour, failed in its immediate purpose, which was to secure—(1) Manhood suffrage; (2) equal electoral districts; (3) vote by ballot; (4) annual Parliaments; (5) abolition of property qualification for members of Parliament; and (6) payment of members of Parliament. If it failed, however, it had created a great wave of democratic thought and political enthusiasm among the working-classes. Politics then had an economic aspect even as to-day. The working-men did not want votes for the sake of having them; they wanted them so that they could use them to influence social conditions, industrial conditions, and economic conditions. Many of the most enthusiastic Chartists were Co-operators, and many of the Co-operators in existing Societies became Chartists. Chartists, for instance, helped to establish the Rochdale Pioneers Society, but some of the Lennoxtown Co-operators helped to plant Chartism in their district. While the Chartist agitation collapsed, its enthusiasm was so great that it influenced the growth of other popular movements, among them the Co-operative movement; but its enthusiasm was so great, also, as

to influence the Government to recognise that something had to be conceded to working-class clamour. It is an experience that we have all observed, that enactments are sometimes wrung from Legislatures as much because of Ministerial alarm as because of the justice of the demand. It so happened that the year which saw the establishment of the Rochdale Society brought important factory legislation to the relief of the workers. In 1846 an amalgamation between trade societies was made possible, the Corn Laws were abolished, and the great era of Free Trade was inaugurated. In the same year a Friendly Societies Act recognised the legal status of societies established by frugal investments to supply their members with certain necessaries. Prior to that people joined such societies at their own risk; they had no redress against dishonest officials; the societies themselves had no protection in their corporate capacity; and landlords and merchants usually held an individual responsible for rent or other liabilities. With these new enactments, improving the hours of labour, wages, and prices, people of the working-class felt a new sense of relief. About the same period the Christian Socialists were pursuing their propaganda, and this movement brought to the aid of Rochdale Co-operation another body of stalwart workers, which included men like Judge Hughes, Edward Vansittart Neale, Frederick Denison Maurice, J. M. Ludlow, and Charles Kingsley, who spared neither time nor talents to further the cause of Co-operation, with which they were in thorough sympathy. The movement benefited during those years from the endeavours of earnest Owenites and Chartists, as well as from the efforts of the Christian Socialists. It was to the legal knowledge and personal influence of some of the Christian Socialists that was due the passing of the first Industrial and Provident Societies Act in 1852. This Act definitely recognised the peculiar functions and the wide aims of the Co-operative movement. It allowed members to invest in these societies to the extent of £100; but it specifically excluded banking from their operations, and applied other limitations, the pressure of which was soon to be felt. The passing of the Public Libraries Acts in 1850 and 1855, and the abolition of "the tax on knowledge," as the newspaper tax was called, in 1855, were measures that helped on the movement very considerably. From 1844 the Rochdale Pioneers had

been setting aside part of their profit for the education of their members, and other societies had followed their plan. To these men the cheaper newspaper was a great boon.

Holyoake visited Scotland on frequent lecturing tours, and in several places he explained the Rochdale system. His published "History of Co-operation in Rochdale" also gave a fillip to Co-operation in Scotland, but the description given by Robert Chambers, in various publications in 1860, gave the movement a decided impetus. Men discussed the scheme, and agreed to give it a trial. Societies sprang into existence all over the country, and over a score of societies in Scotland were brought into existence as a result of the Chambers's publications. The societies in some cases had very humble beginnings; their methods were crude, and their efforts were sometimes painfully unsuccessful. The "store" served the purposes of shop, office, and boardroom. Committeemen had to assist behind the counter at times. Their reward for superintending the business of the society and safeguarding the money and interests of the members was sometimes an ounce of tobacco per week; but they were men, on the whole, who justified the trust reposed in them. Working-people realised that committees had no interest in selling adulterated goods which they would have to use, or in allowing in the store "tricks of the trade" which might be practised upon themselves; and so the movement grew in favour with the people. This is a phase of Co-operative history that falls to be dealt with in a later chapter, but its influence at this early stage in Co-operative history was not inconsiderable, and in the late 'fifties and in the early 'sixties brought into existence some of the largest and most flourishing of the Co-operative societies that exist to-day. It may be added, also, that the general condition of the people had improved very considerably during the first half of the century.*

* Mr George H. Wood, in the Wholesale Societies' "Annual" for 1901, stated that between 1790 and 1850 money wages increased about 41 per cent. while cost of living increased 33 per cent.—a gain of about 6 per cent. in "real wages," by which he meant "money wages corrected by purchasing power."

III.

THE CONCEPTION OF WHOLESALE CO-OPERATION AND AN ODD RESULT.

SOCIETIES SUFFER FROM ISOLATION—HANDICAPPED IN THE MARKET-PLACE—VICTIMISED IN BUYING—STEPS TOWARDS ASSOCIATION—THE "WHOLESALE" IDEA IN 1832 AND LATER PROJECTS—REASONS FOR THEIR FAILURE—FEDERATION PREVENTED BY EXISTING LAWS—FRATERNAL GATHERINGS IN 1862—A PROPHETIC UTTERANCE—CHANGING THE LAW—A GENEROUS LAWYER—THE ACT OF 1862 AND THE POSSIBILITIES IT OPENED UP—THE NORTH OF ENGLAND C.W.S. ESTABLISHED—WILES OF THE MERCHANTS AND AN ATTEMPTED BOYCOTT—PRIVATE TRADERS FOLLOW THE CO-OPERATIVE LEAD BUT FAIL.

If we cast our minds back over the condition of the people described in the last chapter, we will gather some facts which we must bear in mind in order to form a just appreciation of early Victorian Co-operative efforts. Two outstanding facts must be remembered particularly: (1) Compulsory Education Acts were not in operation; (2) the people had a bitter struggle against hunger and want. An obvious deduction is that the general standard of education was low in comparison to what it is in our own generation; and the working-people who managed the Co-operative societies of the period were, to that extent, handicapped in competition with those who began with an education. Their poverty, apart from the educational disadvantage, was a serious material handicap to their progress in Co-operative trading. The savings that their Co-operative trading effected for them was a veritable boon. The capital of the Co-operative societies represented the accumulated shillings, and more frequently the accumulated coppers, of the members. These small societies had to buy in competition with well-to-do shopkeepers from well-to-do merchants and manufacturers, who could count upon, and who obtained, more consideration from the Legislature than the working-people.

They had little expert knowledge of the quality of goods, and, in consequence, they had to rely upon the honesty of their providers. That was an inconstant virtue, and the trust of the people—the trust of the store committee—was often betrayed. Business people nowadays are accustomed to resent references to the dishonest trading which stimulated early Co-operators to do their own business; but facts do not warrant that resentment. To quote a contemporary Co-operative writer of the period would perhaps be of little value; but *Chambers's Encyclopædia* ought not to be considered a prejudiced witness. This work* quotes a review, published in 1820, which reads: "Devoted to disease by baker, butcher, grocer, wine merchant, spirit dealer, cheesemonger, pastrycook, and confectioner, we call in the physician to our assistance. But here again the pernicious system of fraud, as it has given the blow, steps in to defeat the remedy. The unprincipled dealer in drugs and medicines exerts the most potent and diabolical ingenuity in sophisticating the most potent and necessary drugs." From the same authority we learn that an Inland Revenue officer stated, in 1843, that there were believed to be eight factories in London for the purpose of re-drying exhausted tea leaves in London alone. These leaves, collected from hotels and elsewhere, were soaked in gum, and treated variously, according to the quality of tea for which they were to be sold. If they were to be sold as "ordinary black tea," they were mixed with rose-pink and black lead." Other leaves—sycamore, horse-chestnut, and sloe—were often used in these factories, treated, and sold—sold, as were also the unfortunate consumers. It was not till 1860 (the *Encyclopædia* informs us) "that any general Act of Parliament dealing with food adulteration was passed into law in Great Britain. Previous to that date, special statutes applying to certain specified articles, such as tea, coffee, bread, and wine, were in force; *but the main object of these enactments was to prevent the defrauding of the revenue, the health and protection of the purchaser being, apparently, a matter of secondary importance.*"

Till 1830 there was little if any association between Co-operative societies, except the friendly community of interest between neighbouring societies and the community of purpose propagated

* Cf., Article on "Adulteration."

by such little publications as appeared in support of the Co-operative idea. The Congresses begun in London in 1830 brought the existing societies into association for a time; but they ceased to be held. "Co-operative organisation in the year following 1844 seems to have been somewhat parochial in its character. The magnificence which seemed to have characterised most of the committees of earlier days was, for the time being, laid aside, and Co-operators settled down to the practical consideration of their immediate difficulties."* These difficulties were real enough for the best of the societies, manned as many of them were, by leaders who had had to go to earn their livelihood when they were nine or ten years of age. There were constantly arising questions which needed explanations, and problems which called for guidance. From 1850 onwards, conferences were periodically held to discuss these questions; and so Co-operators from various parts of the country were brought into contact. They found that their difficulties were all much of the same kind. The prices societies had to pay for their stocks hampered their efforts. Besides, shopkeepers had awakened to the fact that the trade done by these amateurs was trade that they were losing. The success on the part of the "store" aroused the jealousy of shopkeepers, who "attempted to persuade some of the wholesale dealers not to supply the stores, and threatened to take away their trade from any firm who refused their request."† The situation called for some Co-operative trade protection. It was not a new idea even then, for the trade societies, referred to in the last chapter, which sprang up in various parts of Scotland and England, conceived of something like a federation in which these productive societies could all join. At the Manchester Congress of Owenite societies in 1831, a Wholesale Co-operative Society was projected, and opened in business in December of that year in Liverpool. A society that wished to become a member under that plan had to contribute £20 of capital for every hundred of its own members; and the Wholesale Society was to charge its members 1 per cent. commission and non-members 1½ per cent. commission on business done for them respectively. It seems to have disappeared before 1833. In

* "Industrial Co-operation," by Catherine Webb.

† "Working-men Co-operators," by A. H. D. Acland and B. Jones.

1850 Judge Hughes, and his colleagues at the head of the Christian Socialist societies, established at their own risk a central Co-operative agency, which did not only propose to buy and sell for Co-operative societies but to organise exchanges of goods between them, to organise propaganda effort, to assist Co-operative societies with legal and business advice, and to assist in the formation of societies, so that it aimed at performing the functions of some of the Co-operative wholesale societies on the Continent of Europe to-day, which, to a large extent, combine the functions of the British Co-operative Union and the English and Scottish Co-operative Wholesale Societies as we know them. This society went under before it reached its third year. In 1855 the Rochdale Society established a wholesale department from which other societies could be supplied. It did not command general support from Co-operative societies, because there was no confidence in the view that one society could undertake to perform the functions of a wholesale house, or that the Rochdale Society was better fitted, by financial strength or business experience, to relieve societies of the worries already described, than any other existing society. The constitution of the Owenite "wholesale" society was on more Co-operative lines than the Rochdale wholesale department, because its operations would have been controlled by a co-operatively chosen committee representing the member-societies. The chief obstacle in the way of the success of the Owenite project and of the Christian Socialist "agency" was the law as it stood. The members of a society were legally liable to the last penny of their property for debts incurred by the society. A society could not be a partner in another society. Under the constitution of a federation such as the Owenites projected, a society becoming a member of the federation had to appoint a representative in whose name the society's contribution could be invested in the federation. That member became one of the partners in the federation, or company, and he became responsible to his last penny for the debts of the federation just as the members of the local society were responsible. In a central society, or co-operative federation, intended to do business in a wholesale fashion, the commitments might conceivably be large; the financial risks run by the member who held the shares in the federation on behalf of his

local society would have been very great. These conditions made wholesale Co-operation almost impossible.

Co-operators, nevertheless, struggled for a solution of the problem of wholesale supply. In tracing the progress made towards that solution, we have been helped by the comprehensive account compiled by Mr Percy Redfern, the editor of The *Wheatsheaf*.* Briefly summarised, Mr Redfern's story informs us that, in 1860, Mr Henry Pitman (with whom it has been our privilege to fraternise at the press table at Co-operative Congresses) urged the formation of a wholesale agency in the fifth issue of The *Co-operator*, which came into existence in that year. "Sooner or later," said the editor (Mr Pitman), "we shall be compelled to import articles for consumption, as well as for manufacture, and a union of the various societies in existence will enable it to be done." In December 1860 Mr Pitman was again harping on the same string. In 1861 (January) it was recorded that a wholesale depot had been established at Huddersfield by thirteen societies; but this was registered as a joint-stock company. Several other proposals appeared in the columns of the little organ which had so speedily proved its usefulness. The secretary of the Reading Society propounded a plan, in January 1861, under which a wholesale Co-operative society could be formed of all the stores then in existence; the shares to be, say, £20 each; a store was to be allowed to subscribe for any number of shares up to what might be fixed as the maximum; the wholesale society was to be worked by a committee appointed by the representatives of the store in the same way as the committee of the ordinary stores; and the profits were to be shared on the same principle. "By this means all the lesser stores would be enabled," he said, "to obtain goods as pure and as cheap as those which have the largest capital." To use the language of our statesmen of the war-period, we may say that the Reading secretary (Mr W. E. Bond) thus "found a formula" which expressed the aspirations that Co-operators had entertained for thirty years. The Rochdale Society had, in conjunction with a few other societies, established a corn-mill which, in one quarter alone, meant a dividend of 3d. per £ more for the societies than the dividend would have been if the society had not had this

* "The Story of the C.W.S."

Co-operative mill to fall back upon. This fact stimulated thought. Veteran propagandists discussed the subject from all angles. Tea-parties—on the lines of those " fraternal gatherings" which the Scottish Section of the Co-operative Union had done a good deal to popularise just before the war broke out—were held at a Co-operative farm near Middleton (Lancashire), to which Co-operative enthusiasts went to chat about current difficulties and prospective developments. At one of these tea-parties, in 1862, the subject of a general depot for the service of all the societies was discussed ; and Mr William Marcroft, of Oldham, in the course of the discussion, made the prophetic utterance that " Co-operators must not rest until they had their own ships bringing the produce of other lands direct from the producer to the consumer, thereby saving to themselves the profits of the middleman." William Cooper, of Rochdale, who had been a willing adviser to Scottish Co-operators who wished to transform the basis of their societies to that of Rochdale, was a regular attender at some of these tea-parties ; and present at some of them also was Noah Briggs, of Prestwich, who also gave helpful advice to the Alloa Society in its early days. On the need for a central trading organisation all these heroes of the past were agreed. The law was against them, for the reasons already given. William Cooper argued that no Act of Parliament could stop them if the Co-operators did what was right ; but the majority recognised the difficulties, and were almost all agreed that it would be impossible to form a federation of stores until the law was altered so as to allow societies, as corporate bodies, to invest capital in other societies.

That was a tough proposition. Parliament is not yet a thoroughly representative assembly, because there are many still unenfranchised ; but, then, it was far short of what it was even before the 1918 Act. Nevertheless, there were some Members of Parliament who regarded the Co-operative movement with something like benevolence, because it made for thrift and the elevation of the working-classes. The leaders of the Christian Socialist school were enthusiastically behind the Rochdale school of Co-operation. The Co-operators wanted many improvements in the law. The law limited a society's ownership of land to one acre ; that restriction had to go. Co-operators also wanted restrictions on their collective acquisi-

tion of property to be removed. They wanted working-people banded together in Co-operative societies to have the same privileges of limited liability as was already enjoyed by wealthy investors in joint-stock companies. They wanted societies, in their corporate capacity, to be able to invest capital in other societies. They wanted to be able to provide educational grants from the profits, a Rochdale provision that had been rendered illegal by a subsequent Act of Parliament. To secure the incorporation of these reforms in an Act to amend the existing Industrial and Provident Societies Acts, they invoked the aid of Edward Vansittart Neale. His great legal knowledge, and his personal influence, it was believed, would secure what the Co-operators themselves could not effect. While this step was taken, other practical steps were also being taken so that the amendment of the law might find the Co-operators ready. To that purpose, meetings of buyers for Co-operative societies were being held as a preliminary step towards the creation of the big new venture in higher Co-operation. Meanwhile Mr Neale devoted himself to the task committed to him. He drafted the new Bill required. He used all the influence he possessed; and in 1861 the Bill, which commanded the support of Richard Cobden, W. Ewart, and John Bright, was introduced by Mr R. A. Slaney, M.P. for Shrewsbury. Parliamentary machinery was ill-lubricated in those days—an ailment which has not yet been remedied so far as ameliorative working-class legislation is concerned—and the Bill did not make sufficient progress to enable it to go through that session. The promoters of the Bill, and the Co-operative enthusiasts who were eager for its passing, were disappointed. The committee representing the Lancashire societies met, and decided to ask the societies to vote a levy upon their members in order that a Co-operative deputation might be sent to London. The deputation was sent to undertake the "lobbying" necessary to get the Bill hurried on and to post friends as to the position of the Co-operative societies. Many deputations have made weary pilgrimages to Westminster since then to ask for the removal of obstacles to the progress to which the Co-operative movement legitimately aspires; but they have not all been so successful as that deputation in 1862. When the time came for the introduction of the Bill, Mr Slaney was ill, and Mr J. Southern Estcourt agreed to take charge of

it. Mr Slaney was a Liberal; Mr Estcourt was a Conservative ex-Home Secretary who represented North Wiltshire. In moving the Bill, he stated that there were 150 Co-operative societies in existence, which had done a business of £1,512,117 in the preceding year—a figure which he described as an "extraordinary and almost incredible sum." The Bill went through without any serious opposition. We have referred to Mr E. V. Neale's services. Let us pause: Neale was a London barrister. He drafted that Bill; he was in constant correspondence with the Co-operative committee in Lancashire; he took a personal interest in the effort to secure the passing of the Bill; he buttonholed members of both Houses. The costs of the legislation to the Co-operative committee amounted to £44, 19s. 7d. Neale's "fee" amounted to seven guineas—scarcely so much as a pettifogging lawyer will take for pushing a claim under the Workmen's Compensation Act, which is supposed to obviate litigation. Even then, of the seven guineas he asked that five should be deducted for the Cotton Famine Relief Fund rendered necessary by the effects on Lancashire of the American Civil War. It speaks volumes for the willing service of the man.

In all these efforts it must not be assumed that Scotland was silent or idle. Her part will be dealt with in the following chapter; so that we may here conclude the story of the establishment of wholesale Co-operation. The Act of 1862 made possible the great achievements which have followed. It provided the longed-for solution of many of the troubles that confronted societies. It made possible, for the first time, on a sound basis, *a Co-operative society of Co-operative societies*. It facilitated the growth of local societies. It enabled the societies to combine to do together what they could not do singly. It made it possible to give effect to the plan suggested by Mr Bond, of Reading. They could form the long talked of Wholesale Society, which could be constituted just as other societies were, except that its members would be societies instead of individuals; they could elect their committee of management like any other society, except that the members of the committee would be representatives of members instead of individual members; they could, through meetings of delegates, direct and control the operations of the wholesale society just as they themselves were directed and controlled by the will of the

members expressed at their own meetings; they could lay down plans for the conduct of the business of the federation, stipulate for the best quality of goods to be supplied, save the profits of the wholesalers for the societies just as the societies saved the profits of the retailers for the individual consumer-member, and they could gradually eliminate the middlemen. The prospects were not restricted to buying and selling as we have seen from the foregoing. Production and manufacture of goods, importing of goods, transport of goods in Co-operative ships, were all among the dreams of those who had promoted Co-operation; possession of land, the provision of houses and works, direction of education, and control of Government were also among those dreams. The Act of 1862 brought those dreams nearer realisation. It had its imperfections upon its head, nevertheless. The Act authorised individuals to invest £200 in Co-operative societies instead of £100 previously allowed, but it fixed the same sum as the maximum which might be invested by one society in another. Under such conditions there was little prospect of the wholesale society revolutionising the trade and industry of the kingdom. There were other defects, but this was the most obvious; and along with several others it was remedied by an amending Act in 1867.

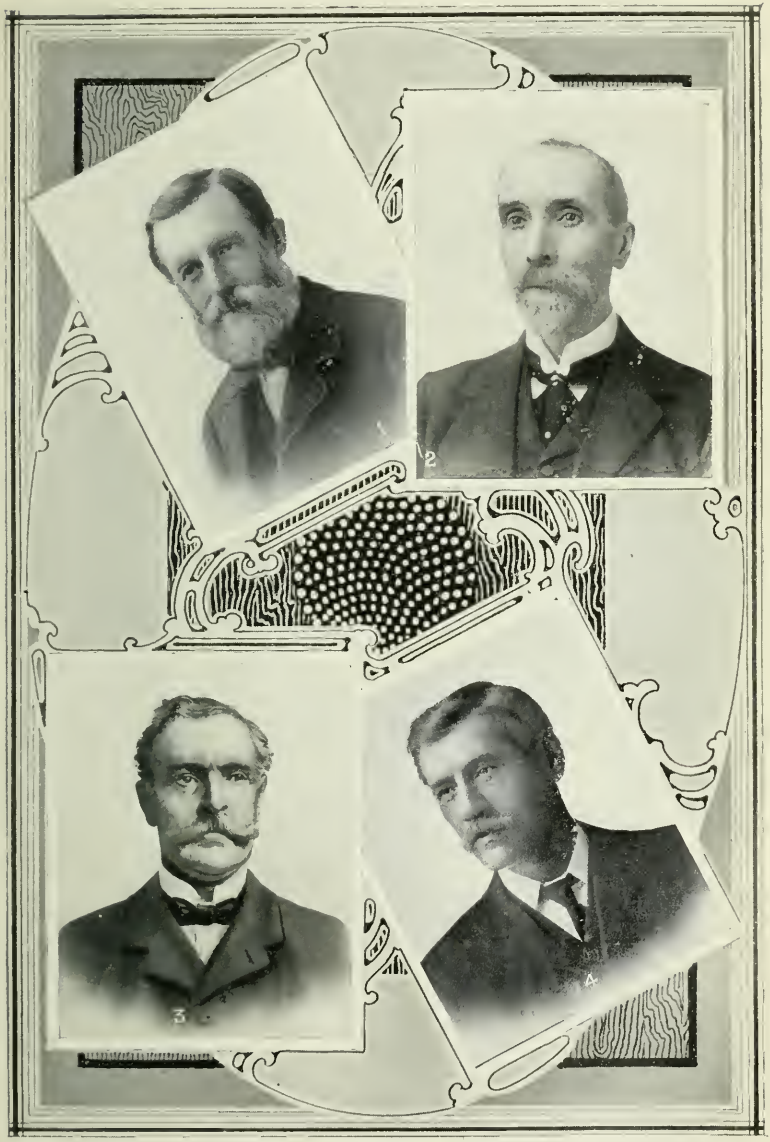
These defects did not deter Co-operators from attempting to make the best of their opportunity. Immediately after the Act was passed, a conference of Co-operative delegates was held at Oldham—it was on Christmas Day, 1862—at which Mr Abraham Greenwood read a paper unfolding a scheme. It was there resolved that a Co-operative wholesale society should be immediately formed. The idea put forward was that an office should be opened at Liverpool or Manchester; none but Co-operative societies were to be allowed to become shareholders or purchasers; the business was to be conducted for ready money; goods were to be bought only to order, and to be invoiced at cost price, a small commission being charged to defray the working expenses; societies were to pay their own carriage; and the capital was to be raised by every society taking up shares in proportion to the number of its members. This project was carried out, and the new federation was registered in August 1863 under the title of the North of England Co-operative Wholesale Industrial and Provident Society Limited.

A letter addressed from any part of the world to-day to "The C.W.S., Manchester," would be delivered without any delay; but it was under this imposing title that the "C.W.S.," as we know it, began business in 1864. An article on the relations of the Wholesale societies to the retail societies* describes the weakness of the original plan: "Within six months from the commencement of business, the Wholesale Society had to discard the agency principle of charging cost price plus a small commission. The theory seemed perfect; but, in practice, it could not be carried out successfully." The "Wholesale" had to change its methods. It had to sell goods as the retail stores sold the goods, at or slightly below the prevailing *market* prices, and divide the profits, as the retail societies did, in proportion to purchases. The application of this "Rochdale plan" to Co-operative Wholesale trade had results even more astonishing than the results that followed the adoption of the Rochdale system in the retail trade. The reasons for the lack of success in the original "agency system" are given in the article just referred to. Briefly, the reasons were that, owing to the exigencies of trade, the Wholesale had sometimes to purchase larger supplies than were immediately needed. Prices fluctuated; when the market rose there was no difficulty in finding buyers at "cost price plus commission"; but when prices went down and the Wholesale's "cost price plus commission" exceeded the price at which goods could be bought, the buyers "passed the Wholesale." By selling at the prevailing market price, or slightly below it, the profit or loss was averaged over all the members; none got any special advantage and none suffered any special disadvantage, but all benefited generally. Success was assured by the change, although there were advocates of the "open door" who did not believe in concentrating all their purchases in the Wholesale Society of their own creation. Wholesale houses which formerly supplied societies with goods used their most alluring wiles to retain the accounts of these societies. All kinds of enterprises sprang up to capture the trade of the societies which seemed likely to go to the Wholesale Society. At least one private venture was formed which called itself the National Co-operative Agency, and which advertised in The *Co-operator* that it sold goods only to Co-operative Societies.

* "B. J., L. B.," in the Wholesale Societies' "Annual," 1896.

What alarmed the wholesale houses were the enormous potentialities of the Co-operative Wholesale Society. The Wholesale's first financial statement only covered a period of seven weeks. It showed sales which, with the commission (one penny per £) added, only amounted to £5,962; and the capital paid up was only £999; but there were fifty-four societies in membership, and their trade was bound to grow. In addition to that, the committee in their preamble to the accounts had openly declared that: "The object sought to be attained was to bring the producer and the consumer into more immediate contact, and thus enhance the profits of Co-operation by diminishing the cost of distribution. This, we believe, can be done with the least possible risk, by aggregating the purchases of the whole, or part, of the societies in the North of England, and buying the commodities required, with ready money, in quantities sufficiently large to command the best markets. By securing societies against imposition, in the days of their infancy and inexperience, and enabling them to purchase on more advantageous terms than the largest societies have hitherto done, we shall ensure the healthy extension and consolidation of our movement. Many societies have already testified to the advantage they have derived from our operations. Still greater benefits are in store, if we are only true to ourselves, and are determined that the general interests of Co-operation shall not be sacrificed to the prejudice or antagonism of individuals." The hopes of the committee were gratified somewhat slowly. In 1866 the membership was nearly two hundred, and the sales were approximately a quarter of a million for the year. While the committee were not satisfied, the private firms were very dissatisfied at losing this turnover. The more the turnover grew, the more dissatisfied were the merchants. The element of private profit did not affect those responsible for the conduct of the Wholesale trade. They were merely the servants of the purchasers. They and their operations were under the supervision of the representatives of the purchasers. Store committees, store salesmen, and store customers began to realise the advantage of having carried the Co-operative principle and Co-operative methods into the Wholesale trade. The *Grocer* at length became alarmed, and in 1867 began to organise a boycott of any firm which had any connection with Co-operative societies, and a

THE SOCIETY'S SECRETARIES—1868-1918



(1) John Allan. (2) Allan Gray. (3) Andrew Miller. (4) John Pearson.

THE ONLY TREASURERS OF THE S.C.W.S.

(1) Gabriel Thomson. (2) John Barrowman.

few years later it published a list of eighty-four firms which refused to do business with Co-operative concerns; but, there were trading firms then—even as there are now—who kept free from prejudices and who refused to follow the lead of The *Grocer*.

The oddest result of Co-operative Wholesale trading was that retail grocers themselves, who, no doubt, deplored the growth of a movement which deprived them of trade, adopted the Co-operative principle, and formed the London Grocers' Wholesale Society, which was registered under the Industrial and Provident Societies Acts. Its members were six hundred retail grocers; but their total shares in the concern only amounted to £4,861, and the venture had to be given up. A similar organisation was attempted in Manchester; but, like their London compeers, these business men, concerned about private profit and actuated by the individualistic principle of "each for himself," failed to do what has been done so successfully by the working-men of the country concerned only for the common good and actuated by the Co-operative principle of "all for each and each for all." It is odd that for the sake of expediency these people should have attempted to practise a system which they professed to condemn in principle; but the same inconsistency is manifest to-day, for the individualistic farmer will co-operate with his fellow individualists for the purchase of seeds, and the purchase and use of tractors and other machines in use in modern agriculture; and those who are so fortunate as to indulge in motoring for a pastime, have formed Co-operative societies to provide themselves with motor accessories. The spirit of individualism cannot apply itself to a Co-operative system which seeks the common good of all; and such a Co-operative system disappoints those whose chief aim is self-aggrandisement; hence the failure of those odd attempts to imitate Co-operative methods, and hence the greater progress of Co-operation in those districts where the members of societies most truly shed the spirit of selfishness and Co-operate with their fellows for the good of all who care to share in the responsibilities and advantages.

IV.

HOW THE S.C.W.S. WAS BROUGHT TO LIFE.

EARLY SCOTTISH ADVOCATES OF WHOLESALE CO-OPERATION—"JUNIPER" OF HAWICK—HOW THE CO-OPERATIVE PRESS HELPED THE MOVEMENT—FIRST "C.W.S." IN SCOTLAND FORMED BY EDINBURGH SOCIETIES—JOHN M'INNES TAKES A HAND—ALEXANDER CAMPBELL AND THE "GLASGOW SENTINEL"—THE FIRST GLASGOW CONFERENCE—"CO-OPERATION AND POLITICS," 1864—TRADING RELATIONS WITH THE C.W.S.—EARLY STATISTICAL RECORDS SUBMITTED AT CONFERENCES—A DELEGATE FROM THE "ENGLISH WHOLESALE"—SUCCESS IN ENGLAND STIMULATES SCOTTISH ENTHUSIASM—THE VISION OF THE "SCOTTISH CO-OPERATOR"—REQUEST FOR A BRANCH OF THE NORTH OF ENGLAND SOCIETY AND THE DECISIVE STEP—THE PRELIMINARY COMMITTEE'S SUCCESS—THE "SCOTTISH CO-OPERATOR" MOVES THE HOUSE OF COMMONS—THE FIRST SCOTTISH CO-OPERATIVE SURVEY REPORT—A SPELL OF VIGOROUS PROPAGANDA—LABOUR'S REWARD THE S.C.W.S. IS BORN.

What were the Co-operators of Scotland thinking of while their friends South of the Tweed were creating enthusiasm for the wholesale agency? They were just as eager to carry the Co-operative principle into wholesale trade as anybody else. Efforts had been made, in the days of liveliest Owenite enthusiasm, to form a central union of the trade unions for the exchange of productions. That day had passed. The distributive societies that had since been formed acquired a knowledge of the needs of the people. In other words, one of the great advantages that the Co-operative society had over the private trader was that *the Society was catering for a* KNOWN *market*, while the private *shopkeeper was speculating upon a* PROBABLE *market*. The advantage that a wholesale federation of such societies would have over the ordinary wholesale house which, like its retailer customers, would have to buy largely in a speculative way, was quite apparent to Scotsmen, who had already perceived the value of Co-operation. Scottish Co-operators, therefore, were not silent witnesses to the progress that was being made

towards federation. Mr Robert Murray, in his "History of Barrhead Co-operative Society," mentions that two members of the committee of the society were appointed to attend a conference to consider the subject in November 1861; but, a year prior to that, a letter in support of a Co-operative wholesale agency had been written by a Scottish Co-operator. As we mentioned in the last chapter, the idea of a wholesale agency was dealt with by Mr Henry Pitman in the fifth issue of the *Co-operator*. That was the October issue in 1860. Almost immediately, a member of the "Hawick Chartist Store"—which had by that time dropped the word "Chartist" from its title—wrote an excellent letter to the editor of the *Co-operator* commending the suggestion. "Sooner or later," he wrote, "we shall be compelled to import articles for consumption as well as for manufacture. The wholesale agencies referred to, if adopted, will no doubt be beneficial in the importation of foreign productions, and may also be rendered available for the concentration and distribution of home manufactured goods. Such a wholesale agency would give an impulse to the Co-operative Cotton Manufacturing Companies now flourishing in several districts in England, and also to the hosiery company recently formed in Hawick. These manufacturing companies would see their way to an extensive trade, as none of them produce any goods but what are required, more or less, by each individual Co-operator." It was a helpful contribution to the public discussion of a big proposition. We should like to know who the writer was. He simply signed his letter "Juniper," and there was no address printed save "Hawick," so that the laurels to which he is entitled for his early effort to develop Co-operative opinion in the direction of wholesale Co-operation cannot be awarded him. When the S.C.W.S. did come into existence, it took the Hawick Society ten years to make up its mind to join; and even then there was a good deal of opposition, partly because some members thought the society's rules did not allow of the investment of capital in the shares of other concerns. "Juniper," however, was ahead of his fellow Borderers; and the English Wholesale Society came into existence because he and others were shrewd enough to see the great potentialities of wholesale Co-operation. The editor of the *Co-operator* did him a slight injustice, for it was not till January 1861 that his October letter was published. The

paper was published monthly, so that the letter missed two issues; but the date is printed with the letter, and we may presume that Mr Pitman found the same difficulty as editors have to-day in fitting four columns of matter into two columns of space.

An important step forward was taken by the Edinburgh societies, which had experienced the difficulties of most other societies. On 5th June 1863 a conference of representatives of these societies was held* in Buchanan's Temperance Hotel, Edinburgh, at which it was decided to establish a wholesale agency, which was subsequently named the "Edinburgh Central Co-operative Association." There were shrewd men present. The talk was of a preliminary nature, but, within a fortnight, eight societies were enrolled as members. Three of these societies are still in existence, viz.:—St Cuthbert's, Leith, and Portobello. The committee comprised Messrs Caw, St Cuthbert's (chairman); Menzies, St Margaret's (vice-chairman); Louden, Greenside Society (secretary); Fyvie, Richmond Place Society (treasurer); and Marshall, Water of Leith Society (not the Leith Society). This C.W.S. in embryo was buying goods for its society members before the end of June 1863—two months before the North of England Wholesale Society was registered, and nearly a year before that federation began to trade. The business of the association was conducted for about four years somewhat spasmodically; various schemes of a federal character were discussed; but the association was too small, and various other reasons also served to prevent it from doing what it set out to do with any degree of success. The attempt had been made thus early; we cannot recall any similar experiment prior to that; and the men who made this attempt deserve some little credit for their enterprise. They recognised that their own venture was not the last word in wholesale Co-operation, and they gave the Co-operators of the West a hand in launching the S.C.W.S. when the move was being made in that direction.

While we do Hawick, and the Edinburgh societies, the justice of recording these forgotten facts, we have to return to do homage to Barrhead. The power of the Press was as great in those days as it is to-day, and the Co-operative movement of the 'sixties owed as much to the Co-operative Press of the period as the movement does in our own day. While wholesale

* "First Fifty Years of St Cuthbert's."

Co-operation seems a natural development of the "store" system, it was inaugurated in England through the instrumentality of the *Co-operator* earlier than it would have been if there had been no publication of that kind. So, too, in Scotland, Co-operative progress was stimulated by the publication of the *Scottish Co-operator*, for the institution of which Mr John M'Innes, of Barrhead, was responsible. That was only a small publication issued monthly. It had eight pages about the size of the City of Perth's Co-operative *Pioneer*, which has had quite a long and useful run under the editorship of enthusiasts. The *Scottish Co-operator* ran into a hundred copies for the first month, but it gradually increased, and when it ceased, after eight years, it had a circulation of about 3,000 copies per month. It was merged in the *Co-operative News* when that was set up in 1871, and Mr M'Innes became the Scottish representative of the *News*, a post which he held almost to his death in 1880.

Mr M'Innes made good use of the space at his disposal in the *Scottish Co-operator*. The first issue appeared in July 1863, and before the end of the year the editor was agitating Co-operators with the view to holding a conference to discuss the desirability of instituting a wholesale agency for Scotland such as had been decided upon for the North of England in August of that year. It was a useful lead, for Mr M'Innes, like "Juniper" of Hawick, was only theorising, although theorising upon pretty safe premises, for the North of England Society had not then begun business, and the Edinburgh venture had not *proved* its utility. The subject was taken up by readers of the *Scottish Co-operator*, and letters to the editor showed that a good deal of support could be counted upon in the event of the initiative steps being taken. The Glasgow Co-operative Society and its neighbour, St Rollox Society, prosecuted the subject very vigorously. This was not the Glasgow Co-operative Bazaar with which Alexander Campbell had been connected in the 'thirties; but Campbell was also one of the leading spirits in the new Glasgow Society, which came into existence about 1856 or 1857. Campbell was a wonderful man in many respects. His earlier activities have been noted in another chapter, but he was as vigorously in favour of the Rochdale system as he had been of the earlier movement in Scotland. He took part in the Social Science Congress several times, and the fact that Co-operation was constantly

being discussed at these gatherings, and frequently discussed at meetings of the British Association, was significant evidence of the attention which the movement had attracted not only among the working-people who needed its economies, but among the "intellectuals" who theorised regarding the world as it was and as it should be. Campbell was afterwards attached to the *Glasgow Sentinel*, which had been founded by Robert Buchanan, who joined in the Owenite campaign about 1837. It may be recalled, also, that Campbell was one of the managers of the Orbiston community founded by Owen. Of Campbell's enthusiasm there could be no question, nor was his vision at fault; but the 1830 society went to pieces because, as the *Herald to the Trades' Advocate* put it, schism came "of intermingling metaphysics with the everyday purposes of life." The second society was not on a stable basis either; but the trouble in that case was purely materialist and not metaphysical. The society spread out more rapidly than prudence would have advised. Members decided upon establishing branches in various parts of the city, but, when they were established, the members who had called for them did not support them; and, as no law existed then—as none exists now—to enforce moral obligations, the society ultimately went into the melting-pot. His connection with these two failing societies detracts from Campbell's reputation, but he could scarcely be blamed for these misfortunes. One of the prerogatives of democracy is that if the democracy wants to go wrong it is entitled to go wrong, and there is probably more human satisfaction in going one's own way voluntarily, even if it be the wrong way, than there is in going somebody else's way, even if it be the right way. Be that as it may, the second Glasgow Co-operative Society took a wrong turning which, as we have said, led it into the melting-pot. The end did not come till 1865, however; and Campbell and the committee of the society were among the promoters of a conference held in the Bell Hotel, in the Trongate, Glasgow, in April 1864, "to consider the necessity of establishing a wholesale depot or agency in Glasgow for the purpose of supplying Co-operative societies in the West of Scotland and elsewhere with pure groceries and provisions from the best markets."

Mr John Birnie, of St Rollox Society, presided at the conference, and explained that as the societies could not, under the

existing conditions, get beyond the wholesale dealers, the advantages the members enjoyed were limited. In adopting the scheme of a wholesale agency or depot for themselves, the profits of the merchants could be added to those of the retailers. He reminded them that the proposition was not new, because it had been already adopted by the Co-operators of the North of England. The paper read at the Oldham conference by Mr Abraham Greenwood, explaining the method of carrying on a wholesale agency, was read to the delegates from Mr Pitman's *Co-operator*, together with an editorial article. There were delegates present from twenty-six societies, but fourteen societies voted in favour of an agency being established without a depot ; eleven were in favour of an agency with a depot. The conference represented 6,111 members of societies, with capital amounting to £12,901, and sales to the amount of £2,703 weekly, or £130,556 per annum. Alexander Campbell, who moved that the committee be instructed to take steps to carry out the suggestion given, and to report as early as could be found practicable, declared that the conference was " one of the most important Co-operative gatherings ever held in Scotland." The chairman, describing the business done, remarked that it was like " building a bridge that would carry Co-operators to prosperity." The *Glasgow Sentinel* published a reference to the conference, and dwelt upon the proposed wholesale society. The object of that society, said the *Sentinel*, was to develop to its legitimate end a movement which promised " to put within reach of the working-men not only wealth and comfort, but the political status which has hitherto been denied them on account of their poverty." The article pointed out that " within the short period that has elapsed from what might be called the second advent of Co-operation into Scotland, the movement has made surprising strides. In the earlier experiments made the true Co-operative principles were not known nor acted on, and the result was an almost universal failure of the societies started to the discomfiture of their members and to the scandal of this great social movement." In conclusion it said: " With the additional profits on the wholesale purchases, the retail Co-operators will find their own position better assured . . . and encourage others of their own class to engage in an experiment which costs nothing, but which promises

wealth and social and political advantages no other movement has been able to realise." We presume these views represented the opinions of Campbell* and the committee; and they certainly give some indication of the attitude of some Co-operators of fifty years ago to the question of "Co-operators and Politics," which has recently stirred not only the Co-operative world, but the whole realm of British politics. All the things promised in the speeches of Campbell and the chairman of that conference, and in the article in the *Sentinel*, were to come; but beyond quickening Co-operative opinion in the direction of wholesale Co-operation, the conference did little, and the committee left to take practical measures did less. The members of the committee who were in the Glasgow Co-operative Society—and they dominated it—had soon something more intimate to think of. Two months after the conference notice of motion to wind up the Glasgow Society was lodged, and, a year later, it disappeared.

Mr M'Innes was deeply hurt because he was not invited to that conference called to discuss a subject which he and his paper had made a live question; but when a year elapsed and nothing appeared to be coming of it—not even a report from the committee—his sense of personal slight was forgotten in his righteous wrath at the possible harm likely to result from the business they were appointed to do having been "so unmercifully burked" by the committee. Readers pestered him with letters on the subject, and he stated frankly in the *Scottish Co-operator* that if anything was to be done the matter would have to "be placed in other hands." He quickly revived Co-operative interest in the project, and, eventually, he convened a conference at the office of the *Scottish Co-operator*, at Barrhead, on 2nd September 1865. Readers of Mr Maxwell's "History of Co-operation in Scotland" know the details. The conference was not called in connection with the formation of a wholesale society specifically, but to consider the propriety of arranging periodical meetings of Co-operative representatives to discuss Co-operative topics. Needless to say, however, the subject which had been so eagerly discussed in the columns of the paper occupied the chief part of the improvised programme. The delegates present were:—Messrs Robert Stark, Barrhead Society; James Borrowman, Crosshouse; Paterson, Alexander,

* Campbell was attached to the *Sentinel*.

and Roger, Paisley Equitable Society; Edmond, Cockburn, Pearson, Wright, and Paton, Paisley Provident Society; Thomas Leckie, St Rollox; John Robertson, Hamilton; Simpson and Macdonald, Port-Glasgow; John Borrowman, St Cuthbert's; Paxton, M'Nab, and Philip, Renfrew; and John M'Innes, the convener. With men like M'Innes, Stark, John Borrowman, and James Borrowman present, it was evident that there would be a move on; but the delegates had no definite information regarding the position of the committee appointed at the conference already referred to, and it was decided that Mr M'Innes, who was appointed secretary of the assembly, should establish some sort of communication with the committee and ascertain how matters really stood. The conference, however, talked round the subject in a general way. The scarcity of capital was thought to be an obstacle to the establishment of a Scottish society on the lines of the North of England Society, which had now been carrying on business for about eighteen months. Mr Pitman's *Co-operator* had been urging the North of England Society to establish a branch in London and one in Edinburgh, but that step had not been taken. The conference thought of establishing trading relations with the English Society, but the distance from Manchester, and the carriage costs, seemed to rule that proposition out, and the compromise that suggested itself was that the Scottish societies might set up a wholesale agency for the supply of butter and sugar. The conference, however, contented itself with the decision to ascertain what the existing committee of inquiry had done. In reply to the communication from Mr M'Innes, Mr John Duncan, the secretary of the late Glasgow Society, explained that there were only two members of that committee left in Glasgow, and he thought the new committee need not count upon anything having been done.

It was not till 7th April 1866 that the next conference was held in the Bell Hotel, Glasgow. The societies sending delegates were asked to supply certain details regarding their societies, so as to guide the conference in its action. The official report of this conference also has been given in Mr Maxwell's History, along with reports of the subsequent meetings preliminary to the establishment of the Wholesale, but cannot be excluded from this record on that account.

The following table gives the societies represented, the delegates appointed to represent them, and the details asked for. A comparison of these statistics, with up-to-date statistics of such of the societies as still exist, will interest present members.

SOCIETY.	DELEGATES.	Members.	Members' Capital.	Sales Last Quarter.	Insurance.	*Flour.
			£ s. d.	£ s. d.	£	Bags.
Alexandria	J. Mills	176	442 7 7	936 16 7	...	...
Alloa	J. Millar ...	220	356 16 9¾	945 16 5½	700	36
Alva	J. Millar ...	356	2,220 11 7½	1,695 0 0	...	...
Bannockburn ...	J. M'Innes ...	231	3,067 6 9	3,832 14 3½	900	...
Barrhead	R. Stark ...	189	703 6 5½	1,338 7 5½	...	...
Bonnyrigg	J. M'Innes ...	...	† N.I.	...	...	...
Brechin	J. M'Innes ...	658	2,889 10 4	5,734 0 0	...	515
Busby	J. Nimmo and A. M'Nab ...	...	357 13 7½	1,508 1 8½	...	...
Crosshouse	Jas. Borrowman	190	515 2 2	1,902 2 1½	...	...
Coaltown of Wemyss	J. M'Innes ...	60	294 0 0	673 1 3	200	12
Cumbernauld ...	J. M'Innes ...	...	N.I.	...	...	...
Deanston	J. Saunders ...	112	360 0 0	672 5 9¾	Not I.	8
Dumbarton ...	J. M'Kinlay ...	...	236 1 2	736 19 4	...	...
Dunfermline ...	J. Henderson ...	654	2,051 14 5	3,689 10 4½	1400	130
East Kilbride ...	W. Bright ...	...	N.I.	...	...	...
East Wemyss ...	R. Morris ...	161	500 0 0	2,035 13 0	400	372
Edinburgh—						
Co-op. Society ...	John Borrowman	...	376 11 11	2,045 19 2¾	...	...
Western	John Borrowman	...	189 18 1½	768 18 11	...	...
St Margaret's ...	John Borrowman	176	260 0 0	900 0 0	300	52
St Cuthbert's ...	John Borrowman	...	323 6 5	1,934 13 8½	...	...
Galston	J. Cunningham	220	323 16 9	1,510 19 11½	...	...
Glasgow—						
Southern	R. Hart ...	...	N.I.	...	...	...
St Rollox ...	J. Annandale ...	228	327 10 10¼	1,190 14 3½	...	...
Grangemouth ...	J. Arnott ...	...	N.I.	...	...	...
‡Hawick	R. Tough ...	666	2,575 10 10	4,461 0 0	1250	546
Kilmarnock... ...	J. Burnett ...	163	205 15 6¾	1,061 0 4	...	...
Kinross	J. M'Innes ...	140	80 0 0	325 0 0	300	...
Lanark	...	...	N.I.	...	...	...
North of England Wholesale Society	J. C. Edwards	...	...	...	...	...
Newtonshaw ...	J. Millar ...	190	316 15 0	1,021 5 9	500	36
Paisley Equitable ...	T. Nairn and R. Edmond ...	212	259 0 2	1,352 14 0	...	...
Paisley Provident ...	T. Vance and R. Paterson	630	628 4 2¾	1,817 6 8½	...	..
Penicuik	J. M'Innes ...	240	1,611 12 11½	1,747 17 4	...	..
Portobello	John Borrowman	108	252 0 0	1,147 0 0	500	16
Shotts	J. Brunton ...	40	87 19 11	563 12 5½	Not I.	...
Springburn	J. Morrison and D. M'Kechnie	107	N.I.	1,253 8 3½	200	18
Thornliebank ...	J. Gibb and D. Cameron	160	275 0 0	1,438 0 0	400	26
Tillicoultry	R. Finlay ...	300	1,825 0 0	1,800 0 0	700	16
Tillicoultry Baking	R. Murray ...	...	N.I.	...	...	...
Troon	J. Montgomery	225	148 6 3	638 11 11	...	27
West Wemyss ...	J. Brown ...	99	477 6 4½	1,193 3 1½	600	16
			24,538 6 3½	53,901 14 4¾		

* In some instances this column includes the flour baked as well as sold.

† and marked thus (...) stand for no information on these points.

‡ In addition to the working capital of the Hawick Society, the members are owners of heritable property, valued at £1,500, which is also insured. The profits on the quarter's sales amount to £340, 9s. 10½d. The capital and sales are the largest of any of the Scottish societies, with the exception of Brechin.

An interesting feature of the conference was the presence of Mr J. C. Edwards, the cashier of the North of England Society, in response to an invitation sent to his committee. One of the pleasant recollections of those days is of the ready, willing assistance which the Southern society gave to those willing to set up what, in ordinary trade, would be regarded as a rival firm. Co-operators, however, were accustomed to give and to receive help of that kind in nearly all their enterprises.

The report of the conference is as follows :—

A meeting of delegates, representing forty of the co-operative societies of Scotland, was held in the Bell Hotel, Glasgow, on Saturday, the seventh day of April 1866, at twelve o'clock noon.

Mr James Borrowman, of Crosshouse, near Kilmarnock, was unanimously called to the chair. Mr Borrowman, on assuming the chair, opened the proceedings by delivering an eloquent address on the importance of co-operation, its beneficial effects, and the objects of the conference as regards co-operative societies.

The Chairman afterwards called upon Mr J. C. Edwards, of Manchester, cashier and manager of the North of England Wholesale Industrial Society Limited, who attended the meeting by request, kindly acceded to by the directorate of that society.

Mr Edwards gave the meeting a very succinct and graphic history of his society, stating the difficulties and dangers it had to contend with since its inauguration—these obstacles not alone arising from the jealousies of private wholesale houses, but also from co-operative societies. He also gave an amusing description of the nefarious tricks resorted to by the trade in respect to butter and tea, showing that a co-operative society, such as he represented and such as the meeting contemplated establishing, had not the same incentives to delude ; their customers being shareholders, adulteration could be no gain to them, as the profit arising in this way would be only changing the money from the one pocket to the other. The information given to the meeting was very valuable, and highly appreciated by the delegates present.

The question was then taken up as to the starting of a wholesale agency. Each of the delegates gave their opinion on the matter, all tending to be favourable, but judiciously concluding that the societies in Scotland were not yet in a position to maintain one.

Mr J. Millar, of Alva, in accordance with the general tendency of the meeting, moved : " That the delegates impress upon the members of their respective societies the importance of taking shares in the North of England Wholesale Co-operative Society, and also the great necessity of giving to it the largest measure of support possible." The resolution was seconded by Mr J. Morrison, of Springburn, and unanimously adopted.

The advantages to be secured by, and the possibility of starting a co-operative flour mill, were then discussed, the result being that the delegates were pretty unanimous in the opinion that the present state

of the co-operative societies in Scotland did not warrant their recommending the formation of a co-operative flour mill. The question of a co-operative insurance society was also considered, but postponed till the results of the forthcoming conference on this question by the English societies be ascertained.

On the question of a uniform balance-sheet, the delegates were unanimous that such was necessary, and the following committee was appointed to draw up one :—Messrs Thomas Nairn and Robert Paterson, Paisley, and Robert Stark and John M'Innes, Barrhead.

What the *Scottish Co-operator* thought of the meeting and thought of the achievements of the existing Wholesale Society in England was indicated in an article then published. "The success which has already attended the mission of the North of England Wholesale Co-operative Society," said the editor, "is a cheering proof that the faith of working-men in each other is increasing, that the profit secured is teaching them to look for other and more extended schemes in which to embark their capital, and that *co-operative efforts conducted by working-men for the benefit of working-men* are destined to advance." That was the interpretation which Mr M'Innes put upon the initial success of what is now the "C.W.S."; but it inspired him—and he inspired his readers—with great hopes of what might come to the Co-operators of the country. The decision of the conference, it will be remembered, was that the delegates should impress upon their societies the importance of taking shares in the North of England Wholesale Society. With characteristic loyalty to his constituency, then, Mr M'Innes wrote of that federation in his article as if it were the property of Scotland as well as of England; and this is the vision of the future that presented itself to him and which he presented to his readers: "*Trusting in ourselves and united in our action, glorious prospects open up before us. A mighty federation of the stores consolidated in one efficient board of management (with branches spread over the length and breadth of the land) would tell with crushing force upon those reckless speculators whose capital and time are employed to enhance the price of the poor man's food. Clever as they are, they would stand aghast before a purchasing power of eight to ten millions per annum; and at the present ratio of increase, Co-operators in a few years will represent such a power. If we were only wise enough to unite our purchases, we could defy competition; and with agents of our own abroad to purchase in*

the first markets, and ships of our own to traverse the world's highway, these speculators in food would be at an end." Although even to-day the present *Scottish Co-operator* and the *Co-operative News* find it necessary to agitate for greater Co-operative efforts to bring the *speculators in food* to an end, the movement has travelled a long way beyond John M'Innes's estimate of the amount of concentrated purchasing power required to achieve that purpose. The purchasing power concentrated in the "mighty federations"—not *a* mighty federation—had reached his high-water anticipation when the then unborn Scottish Wholesale had only come of age. It is not anticipating subsequent details to state that the two Wholesale societies were *producing* goods to the value of thirty millions per annum and selling goods to the value of eighty-five millions in the S.C.W.S. jubilee year. The speculators in food stand enraged; but they have not been brought to an end yet.

The delegates who had attended the 1866 conference had probably carried out the instructions given by the conference; but there were serious difficulties in putting the resolution into practice. Some societies that have now a venerable history did apply the resolution—Penicuik, Dunfermline, St Cuthbert's, St Rollox, and Alva were among the first—but distance, as was pointed out at the 1865 conference, was a difficulty, especially as what the societies wanted most were foodstuffs. The matter was discussed as vigorously as ever during the whole of 1866 and the early part of 1867. There was a general desire on the part of enthusiastic Co-operators to be participators in the work of the North of England Society; but with the best will in the world the stores could not make good use of the society. London was taking steps to set up a wholesale agency; so, too, was Newcastle. These districts encountered difficulties in doing all their trade with a Manchester depot; and Scotland, therefore, could not be found fault with if she frankly proclaimed her difficulties. English Co-operators did not find fault, and least of all did those connected with the management of the existing Wholesale Society. Mr Pitman, in an editorial note in the *Co-operator* (replying to a member of St Cuthbert's who expressed a desire to see Co-operation as strong in Edinburgh as it was in Rochdale), remarked: "Perhaps it will be when you have had equal experience. . . . Your greatest want seems to

be a wholesale society. Never rest until you have got centra stores."

The question was therefore raised again at a conference held in Whyte's Hotel, Ingram Street, Glasgow, on 8th June 1867, to discuss (1) "the necessity of a wholesale agency in Glasgow, either as a branch of the North of England Wholesale Co-operative Society or independent of it, but purchasing from it as much as possible;" and (2) "the urgent need of a corn mill, how to raise capital for the same, and the best site." It was a pretty full programme to discuss; but Mr James Borrowman, again in the chair, carried through the proceedings very expeditiously. There were thirty societies represented, besides the North of England Society which was again represented by Mr Edwards. Some of these societies did not send delegates of their own, but they authorised the secretary (Mr M'Innes) to act for them. Those present were John M'Innes representing Auchinleck, Grahamston and Bainsford, Lanark, Portobello, and West Wemyss societies; J. M'Gruther, Bannockburn; J. Allan and R. Stark, Barrhead; W. Davidson, Bathgate; John Nimmo, Busby; H. Andrews and G. Lawrie, Carluke; James Borrowman, Crosshouse; Thomas Leslie, Dalkeith; James Anderson, Dalry Baking Society; D. Marchbank and R. M'Arthur, Dalziel; J. M'Kinlay, Dumbarton; Joseph Henderson, Dunfermline; Allan Scott and R. Lees, St Cuthbert's; J. Whitelaw, Glasgow Eastern; Gabriel Thomson and D. M'Calman, St Rollox; George Merrylees, Kilmarnock; James Nairn, Kingskettle; David Kidd, Kirkland; W. Smith, Lochgelly; A. Lindsay, Montrose; R. More and D. Andrew, Paisley Provident; P. M'Donald and A. Walker, Port-Glasgow; James Brunton, Shotts; Matthew Ireland, Renfrew; and a delegate from Alva Society.

The chief discussion centred round the first proposition. Mr John Allan, the first secretary of the S.C.W.S., has placed it on record that the "universal desire among the friends of the movement was to have a branch of the Wholesale Society in Manchester established in either Glasgow or Edinburgh." Mr Edwards, in response to this desire, explained to the delegates that the committee of the North of England Society had authorised him to state that a branch of that society could not be established at Glasgow as there were places in England

that had a prior claim when the committee saw the way clear to establish branches. As a matter of fact, the committee had declined to accede to a similar request from Newcastle earlier in the year. The English Wholesale committee also authorised Mr Edwards to promise that if the Scottish societies contemplated the formation of a wholesale society in Scotland, they could rely upon all the advice and assistance which the experience of the English Wholesale committee could render of any value to them. The promise was most welcome, for the North of England Society had now had more than three years' experience of the wholesale trade; and the Scottish Co-operators were naturally anxious to avoid mistakes into which their want of experience might lead them. It was also promised that if a Scottish wholesale society were formed, Scottish members of the North of England Society would have "every facility for the immediate transfer of their shares." The way was therefore cleared for what might be called direct action. With the strongly expressed desire of their societies, and with the encouragement of the North of England Society, the delegates agreed that if there was to be a Co-operative wholesale depot in Scotland, the Scottish societies must put it there without longer delay. The formal resolution, which initiated the Scottish Co-operative Wholesale Society, was, accordingly, put to the meeting. Moved by Mr Gabriel Thomson of St Rollox Society, seconded by Mr Matthew Ireland of Renfrew, and carried *nem. con.* The resolution was as follows:—

> "That this conference, convinced of the advantage and necessity of a wholesale agency, and seeing that the North of England Co-operative Wholesale Society cannot extend a branch to Scotland, hereby appoint a committee to diffuse information, make the necessary arrangements for commencing a wholesale co-operative society in Glasgow, and in the meantime to make use of the North of England Society for the supply of our wants as shall be deemed desirable."

The conference determined that there should be no delay, and the committee appointed comprised some noted hustlers. Mr James Borrowman, the chairman, was already a vigorous propagandist. He was the son of Mr John Borrowman, of Edinburgh, who was one of the founders of St Cuthbert's Co-operative Association in 1859, and its first president, from 1859 till 1866. James was a stalwart of Co-operation in Ayrshire; but he was a virile writer, and the columns of the *Co-operator* and of the

Scottish Co-operator bore witness to his versatility and his gifts. John M'Innes, who, more than any other, may be venerated as the father of the Scottish Wholesale Society because of the persistent vigour with which he carried on the agitation for five years before his proposition materialised, was the secretary of the committee. Thomas Nairn, of Paisley, who had been secretary of the Provident Society, and who had lost money in the society's early struggles but still retained faith in Co-operative principles and enthusiasm for Co-operative developments, was a member of the committee. Richard Lees, who had been a member of the first committee of St Cuthbert's, its secretary from 1862 till 1868, a guiding spirit among the pioneers, and a wise counsellor in times of trial, was another member. Joseph Henderson, also a member of the committee, was a *litterateur* at times, but he was president of Dunfermline Society from 1864 till 1867, and, according to the late Mr Daniel Thomson's* estimate, he had that breezy optimism which would be helpful to a committee charged with a new and serious venture. Mr James Cunningham, of Galston Society, and Mr John Duncan, of Glasgow Eastern Society, were also members of the committee which was to make the establishment of the S.C.W.S. an accomplished fact. The committee realised what the S.C.W.S. directors have fully realised in recent years—namely, the value of an advertising department. They set about advertising the proposed formation of a wholesale society, and a comprehensive statement of the objects of the proposed federation was issued in a form which addressed itself to every Co-operative society in Scotland. The committee desired the fullest information to be set before the next conference, so that the conference would know exactly what to expect, and the result of the investigations so carried out was the compilation of a statement which would do credit to the well-financed Survey Committee of the well-organised Co-operative Union of to-day. Statistics of co-operative societies in Scotland were not published by the Registrar as the statistics of societies in England and Wales were. The *Scottish Co-operator* constantly urged that the Scottish Registrar should be compelled to furnish details of these societies, and so effectively did he pursue the subject that, in September 1867, on the motion of Mr Crum Ewing, M.P. for Paisley, the House

* S.C.W.S. Director, 1887-1911.

DIRECTORS BEFORE MR BARROWMAN'S RETIREMENT IN 1881

Front Row (*left to right*)—J. Combe, G. Smith, A. M'Ewen, J. Barrowman, A. Miller, D. Morison, T. Small.
Back Row—H. Murphy, J. Hawthorne, J. M'Intyre, J. Black, W. Maxwell.

JOINT GROUP OF S.C.W.S. AND C.W.S. DIRECTORS, 1897

of Commons ordered an annual return of Co-operative societies in Scotland similar to that provided by Mr Tidd Pratt, the English Registrar. Towards the end of 1867, Mr Carnegie Ritchie issued his first return. It dealt with the year ending December 1866, but it satisfied nobody particularly. The *Scottish Co-operator* described it as a "burlesque," and the English *Co-operator* did not even quote any of its figures because "though compiled on the authority of the law, it is the merest shadow of what it ought to be." Not having much help from the law, the committee in charge of the preliminary arrangements in connection with the establishment of the Wholesale Society had to gather its own statistics from the societies known to be in existence. The next conference was to be held at the New Year; and the committee arranged that there should be a conference in Whyte's Hotel, Glasgow, on 1st January, and a similar conference in Buchanan's Temperance Hotel, Edinburgh, on the following day. Forty societies, representing a combined membership of 9,254, with capital amounting to £34,888, and with aggregate sales of £258,399 per annum, sent delegates to one or other of the conferences; some, indeed, were represented at both. This was encouraging; but the committee were able to present particulars relating to societies in Scotland which left no doubt whatever in the minds of the delegates as to the wisdom of going ahead. We owe that committee a posthumous vote of thanks for their inquiries, even if they had not to run the gauntlet of criticism like the present Survey Committee. Their Survey Report is worthy of reproduction,* as it can have been seen by very few Co-operators of the present generation, and it will prove useful to those who study Co-operative developments. The Registrar's return, published in December 1867, covered 118 societies, and gives only the societies, the value of property held, the average stock, and the profits for 1866. The first Scottish Survey Report, for which we have to thank John M'Innes and his committee, was presented on 1st January 1868, and it dealt with 134 societies. The details given showed what a substantial nucleus of trade the Scottish Wholesale Society would have, presuming that Co-operative committees showed the same loyalty to the Wholesale Society that they expected their members to show to their local societies. The report also showed the great field

* See Appendix II.

that had still to be won for Co-operation ; and the two conferences agreed that the first wholesale establishment should be in Glasgow, and that, if success attended their efforts, Edinburgh was to be the next centre of enterprise. The conferences added to the members of the committee with a view to making it more representative, and instructed the committee to prepare rules on the model of the rules of the English Wholesale Society, print and forward copies of the rules, along with an application form for shares, to each society in Scotland, and arrange for a delegate meeting to consider any suggested alteration or amendment of the rules, and also to elect a committee of management. The committee entrusted with this work comprised Mr Borrowman and Mr M'Innes (who still acted as chairman and secretary respectively) ; William Macgregor, the new president of Dunfermline Society, had succeeded Joseph Henderson on the committee ; James Cunningham, of Galston, and Richard Lees, of St Cuthbert's, still retained their places ; Gabriel Thomson, of St Rollox, and Archibald M'Lean, of Govan, represented Glasgow, and Daniel Kay, of Alva, and John Poole, of Portobello, completed the number. Foundations were laid immediately, and in May 1868 the *Scottish Co-operator* announced that the rules of the Scottish Co-operative Wholesale Society Ltd. were now registered, and would be shortly in the hands of the various committees throughout Scotland, along with a sheet for the acceptance of shares.* " In the first instance," it was explained, " societies with a hundred members will need only to contribute £5, and, in three months thereafter, the same amount, in all, £10—a sum which any society presuming to do business should be able to raise, or to borrow from any of their members, as on this amount of capital the rules provide for a return of 5 per cent." The editor exhorted societies to realise the importance of joining up at once, and of not putting off till a later time, as that might be disastrous. He referred to the initial trials which had beset the North of England Society, but he also told how the trials and obstacles had been overcome by the "energy, perseverance, ability, and self-denial" of the management of the society. " In a truly Co-operative spirit," he concluded, " the directors of the North of England Society have kindly offered to instruct us by giving us the benefit of their experiences in management and in buying."

* See Appendix V.

Such is the record of the development of the seed of wholesale Co-operation in Scotland. When the next meeting was held, the Scottish Co-operative Wholesale Society Ltd. was in existence. That momentous meeting was to begin the business of the society ; and the committee, who had prosecuted their labours so successfully, were to hand over the reins of power and the burden of responsibility to the first board of management. All did not give up their labours ; some were given new duties in connection with " the Wholesale " ; but as a provisional committee their task was accomplished, and we may give them their vote of thanks here. It had taken them five years to carry out their project—five years when travelling facilities were imperfect, when the experience that working-men had of business methods was not extensive but perhaps lacking, and when the promoters of the new society were drawn from places far apart. Their job took them long, but they did it well ; and their own reward was little more than the " clean, clear joy of creation."

The Scottish Wholesale Society was not the only thing they created during those five years. The conferences that were held also made easy the formation of the Scottish Section of the Co-operative Union. Similar conferences were being held periodically in England, and these, with the Scottish conferences, led to the establishment of the Central Co-operative Board, which eventually became the Co-operative Union of Great Britain. As was eminently fitting, James Borrowman and John M'Innes were the first Scottish representatives on that board. Nor did that exhaust their good work. The conferences conduced to a fellowship which might never have been created but for the engrossing business that brought delegates from various parts of the country together. They gave rise to frequent and regular correspondence between societies ; they stimulated Co-operative thought, fired Co-operative ambitions, created an interest in Co-operation among those who were not Co-operators, and they led to a considerable increase in the number of members and in the number of societies, even before the S.C.W.S. finally took shape. So much was this the case that Mr Carnegie Ritchie, the Scottish Registrar, reported in 1867 that these Co-operative societies were increasing very largely, and that he had received a letter from a gentleman in whose neighbourhood a store had been established. " Since the formation of the society," the

gentleman wrote, "the aspect of the neighbourhood has been quite changed." He added that "the people were given to drunkenness, but now, there being no spirits allowed in the store, they, in place of spending their money in intoxicating liquor, are providing for their families respectably and are able to help their sick." Other gentlemen had written him who were anxious to see similar societies formed in their neighbourhood. The spread of such societies was hastened by the energies of those who set about the formation of the Scottish Wholesale Society; but the great organisation of their creation was like a great potent fertiliser on the soil they had prepared.

V.

FIVE YEARS OF EXPERIMENTAL EFFORT.

A MOMENTOUS GATHERING—THE FAITH OF THE SOCIETIES—THE EXECUTIVE'S PREPAREDNESS—PRELIMINARIES SETTLED—THE FIRST S.C.W.S. ELECTION—SOCIETIES THAT TRADED WITH THE ENGLISH WHOLESALE—MADEIRA COURT, A UNIQUE ESTABLISHMENT—JAMES MARSHALL AND HIS CREDENTIALS—BUSINESS BEGUN—THE EARLY RESULTS—REPORTS OF THE BOARD—GROWING SUCCESS OF THE VENTURE—LESSONS LEARNED—FAREWELL TO MADEIRA COURT—FIVE YEARS OF EFFORT CROWNED AND A BIG CELEBRATION.

WHEN the delegates from societies met in Whyte's Temperance Hotel, Glasgow, on 1st August 1868, there were forty-three present representing thirty-three societies. Mr Maxwell has published Mr M'Innes's list with details of the trade of each society. It will serve our purpose to place on record the names of the societies and their representatives. As before, Mr M'Innes acted as the accredited delegate for several societies that could not be represented by delegates specially sent. One of the societies which appointed him as a delegate was the Thurso Society which had only been formed eighteen months before, and which was most enthusiastic for the establishment of the Wholesale Society. Like others concerned in the project, it contributed one farthing per member towards the expenses of the committee promoting the scheme. Other societies represented by Mr M'Innes were Kirkland and Penicuik. The list of other societies and delegates is as follows :—ALEXANDRIA, James Burnett and James M'Intyre ; ALVA, Daniel Kay ; BARRHEAD, A. Johnstone and John Allan ; BANNOCKBURN, Alexander Meldrum and J. M'Gruther ; BO'NESS, J. Ramsay ; CARLUKE, — Hunter ; CATHCART, William Shirlaw ; CATRINE, William Murray ; CROSSHOUSE, James Borrowman and John Murdoch ; DALZIEL, William Paul ; DUNFERMLINE, William M'Gregor and John Spence ; ST CUTHBERT'S (Edinburgh), Richard Lees and R. Scott ; ST ROLLOX (Glasgow), F. Maxwell

and Gabriel Thomson ; SOUTH EASTERN (Glasgow), W. Robertson ; ANDERSTON (Glasgow), H. Fitzpatrick and J. M'Donald ; GALSTON, James Cunningham ; GOVAN, Archibald M'Lean ; GRAHAMSTON AND BAINSFORD, John Logan and John Morrison ; KILMARNOCK BAKING, Alexander Hunter ; KILMARNOCK, F. Bain, J. Weir, G. Merrylees ; LOCHGELLY, William Smith ; MAUCHLINE (delegate unknown) ; NEWMILNS, Alexander Dykes ; PORT-GLASGOW, John Duguid ; PAISLEY EQUITABLE, J. Thompson and John Alexander ; PORTOBELLO, J. Poole ; SHOTTS, James Brunton ; TILLICOULTRY, Robert Finlay ; TROON, William Neil ; and THORNLIEBANK, John Gibb.

When that meeting assembled, it must have been with a singular thrill that the chairman, James Borrowman, opened the proceedings. A big task had been undertaken by him and his committee. The delegates were there watchful, hopeful, eager, but with some little share of the feeling of those about to embark upon some big adventure. These men—the committee and the delegates—were not very seriously concerned about what their societies would have to invest in the undertaking, although that was not a matter which they discussed lightly, for their own savings constituted part of their societies' capital. Their chief concern was for the future. The decade which was nearing its close was one of very considerable hardship. The American Civil War and its industrial disorganisation had given the decade an inauspicious opening, and the fresh wars on the Continent added to the distress. Further disorganisation and hardship had been caused by the London financial panic which followed Overend & Gurney's failure. From these causes there was considerable anxiety in the minds of the working people, which was faithfully reflected in those representative men and women gathered in Whyte's Hotel. They were perhaps unable to reason out theories of action and reaction ; but they were, nevertheless, fully capable of recognising what it meant to them that the cost of living, which had fallen somewhat after the American Civil War, rose again when the Continental wars of 1866 were at their height. Their thoughts, then, at that meeting in August 1868 were of the future. They believed that, on paper, the formation of a Co-operative Wholesale Society for Scotland would be a great boon. They had visions of a great organisation spreading its roots everywhere ; reducing

the cost of living, improving wages, shortening the working day, sweetening the lot of the toiler; but the future they saw may have seemed too bright. In their minds the faint glimmer of fear lingered. They had seen Co-operative societies go to pieces: Had it not happened to the society which had been chiefly responsible for calling the first conference in 1864 to consider the project that was to materialise that day? What, after all, if their hopes proved vain? If this big tower of strength which they hoped to build went to pieces, with its promises unfulfilled, and bringing despair and ruin upon the workers whose money was involved, what then?

We respect those men for their fears; but we would scarcely have forgiven them if they had allowed those fears to overpower them. They had Faith, and that faith removed the mountain of doubt. The chairman and his committee knew their responsibilities. As they faced that meeting there burned into their minds the hopes they had held out when they made their appeal to the little Co-operative world to adopt the policy of establishing a wholesale society. Now that the first steps were taken, and the delegates had assembled to launch the new venture, these committeemen—and the chairman and secretary who had been the chief apostles of it—must have felt like a newly constituted Cabinet in which the country has declared its confidence and which had reached the stage of redeeming its pledges by definite action. Trying to picture that meeting, in the light of our personal and intimate recollection of more than fifty meetings of the Wholesale Society, we see in it some of the commendable features of the S.C.W.S. meetings of to-day. It was not called a Wholesale meeting; it was only a delegate meeting; but the S.C.W.S. had been constituted and the delegates were there to set about the practical business. Borrowman and M'Innes! They were excellent officers. They did what the presidents and secretaries of the Wholesale Society whom we have known have made an invariable practice—they anticipated questions and difficulties that would arise—and they were ready to answer, if not to satisfy, the delegates upon all points. These two officials initiated the now common practice of the English and Scottish Wholesale Societies, which always consult one another in their difficulties. The chairman and secretary had visited the establishment of the North of England

Society. They had seen through its premises, investigated its methods, and been enlightened by the officials at Manchester, who had none of the fears that the managers of a profit-seeking firm would have had over the inauguration of a similar concern to their own preparing to do business which they might have undertaken. These emissaries had learned a good deal, and their acquired knowledge was to be used, not for selfish purposes, and not only for the good of the Co-operators of Scotland, but —as the Co-operative societies were open to all upon equal terms—for the good of the whole populace. They were encouraged by what they had seen, and these two, at any rate, looked forward to the Scottish venture with considerable confidence. The forty-one other delegates present were, in turn, stimulated by the reports submitted by the chairman who, on an analysis of the trade done, saw ahead the day when the Wholesale would be running its own flour mills, conducting its own sugar refinery, and its own tobacco and soap factories.

The rules that had already been drafted by the committee were submitted for final adoption, and after being amended they were approved. They provided that the value of the share should be £25 each—an advance on the original proposal that they should be £10—and they were withdrawable. The withdrawable shares were a source of weakness from the beginning. The delegates were chiefly concerned about securing for the societies a ready means of obtaining their money if they wanted it; and it was thought that some societies would remain outside the "Wholesale" rather than lock up money which they would not be able to get when it was needed. From that point of view the withdrawable shares seemed preferable; but capital so provided would have made it impossible for the Wholesale Society to engage in wholesale business successfully. That was not fully realised by everybody at the time, and it was, therefore, on a foundation of withdrawable shares that the great business began.

The first board of directors, or, in the language of the period, "the committee," was appointed at that meeting. James Borrowman, it was decided, should be general manager and cashier. It was a tribute to his work and to his displayed and proved ability. Before very long the members regretted that he had not been left as chairman of the directors. That opens

up a story which will come at its proper place ; but his appointment as manager necessitated the election of a new chairman, and the choice fell upon Mr George Merrylees, one of the Kilmarnock delegates. Mr John Allan, of Barrhead, was elected secretary, and Mr Gabriel Thomson, of St Rollox, was elected treasurer ; the other directors being Messrs John Hall, Portobello ; Daniel Kay, Alva ; William Smith, Lochgelly ; A. Meldrum, Bannockburn ; George Dodds, Penicuik ; and Richard Lees, St Cuthbert's. The auditors appointed were Archibald M'Lean (Govan Equitable) and James Inglis (Paisley Equitable).

The societies so represented in the management committee had all given evidence of their zeal for the propagation of wholesale Co-operation ; and, with the apparent exception of Bannockburn and Portobello, they were all purchasers from the North of England Society. As has been recorded earlier, delegate meetings had recommended the societies in Scotland to purchase goods, when they could, from that society. The recommendation was not very extensively carried out ; but some societies had acted upon it, and Edinburgh seems to have led in this.

The " board " lost no time in getting to work. Within a month they had secured premises at 15 Madeira Court, Glasgow. The Court does not exist now. The railway has obliterated many interesting landmarks, and the present generation of Co-operators would have been ready to make a pilgrimage of thanksgiving to Madeira Court to commemorate the S.C.W.S. Jubilee had it not been that it has had to give place to the Caledonian Railway Company's extension at Argyle Street. The Court was entered by a " wide-pend," which, if it still remained, would be under the west end of the railway bridge on the south side of Argyle Street, nearly opposite the end of Hope Street. The Court was a veritable hive of industry. No fewer than thirty-five firms were located in the Court. They comprised brewers, commission agents, produce merchants, muslin and print manufacturers, hatters, bonnet makers, tea merchants, wholesale grocers, confectionery manufacturers, and others. At No. 15 there were four other " firms " besides the S.C.W.S. The " Wholesale Co-operative " probably counted for very little in the eyes of the prosperous manufacturers and com-

mission agents who had their establishments there. Some of the "Wholesale's" old neighbours would like it less to-day; but then the S.C.W.S. millions had not arrived, and its neighbours probably did not regard it as a concern that was likely to set the heather on fire. They miscalculated. The place was economically equipped, and the business was inaugurated. It was probably the only establishment set up by the S.C.W.S. without the help and guidance of Mr Robert Macintosh, and that fact alone should make Madeira Court unique in the records of the Society. Mr Borrowman was an organiser with a good deal of shrewdness; but he could not manage without an expert grocery and provision buyer, and the committee were seriously exercised about the selection of a capable man for the post, for they recognised that upon their choice depended whether wholesale Co-operation would have a chance to succeed. A mistaken choice might shatter the hopes of the hard working men and women who placed so much reliance in the principle of Co-operation, and might do the whole movement incalculable harm. It was a contingency that did not arise, for the committee made an excellent selection in Mr James Marshall. What were his credentials? He was a native of Tillicoultry, where a Co-operative society had been established when he was sixteen years of age. He was an acting secretary of the society although apprenticed to the grocery trade there; and it may be mentioned, also, that it was at the express wish of the manager of the Society that he did enter the service. He did such excellent service there that, when the Alva Bazaar Society was in the reverse of a prosperous condition, the S.O.S. signal was sent to Tillicoultry and Mr Marshall was pressed to become salesman at Alva. He pulled the society round, and put it on the straight road to the prosperity it now enjoys. Those who remember James Marshall in his later years know that he never lost the virtues which he possessed in the early years of his Co-operative service in the Hillfoots district. He was a capable business man; he knew his job; he was never a man who regarded the business as the property of someone else. Painstaking and conscientious in the extreme, he was as scrupulously attentive to his work as if the business of the Alva Society or the Tillicoultry Society was his own. He was trusted by the people of the Hillfoots as few men are trusted, and he was respected to the highest degree by

those who did business with the society either as sellers or as purchasers. These were the merits that commended him to the committee of the S.C.W.S., and which brought him into the service which he adorned for thirty-four years.

We are indebted to the secretary of the C.W.S., Mr T. Brodrick, for the following list of the Scottish societies that had trading relations with the C.W.S. at this time :—

SOCIETY.	*Began Trading with E.C.W.S.	*Ceased Trading with E.C.W.S.	*Became Member of E.C.W.S.	*Membership with E.C.W.S. Ceased.
†Edinbro'	25th April 1865	...	...	...
‡Edinbro' (Fountainbridge)	,,	...	...	...
Busby	24th April 1866	10th April 1869	...	...
†Edinbro' (Gilbert Street)	24th Oct. 1865	...	...	...
†Edinbro' (Grove Street)	24th April 1866	24th April 1866	...	...
‡Edinbro' (St Cuthbert's)	,,	23rd Oct. 1866	...	...
Alexandria	,,	13th April 1872	23rd Oct. 1866	9th Jan. 1869
Thornliebank	,,	10th April 1869	...	...
Alva	23rd Oct. 1866	9th Jan. 1869	...	...
Barrhead	,,	10th April 1869	13th April 1867	9th Oct. 1869
Crosshouse	,,	10th Oct. 1868	23rd Oct. 1866	8th Jan. 1869
Dumbarton	,,	14th Oct. 1871	...	...
Eyemouth	,,	9th July 1870	13th April 1867	9th July 1870
Galston	,,	10th Oct. 1868	...	...
Grangemouth	,,	8th Jan. 1870	...	...
East Kilbride	,,	11th July 1868	...	...
Glasgow (St Rollox)	,,	10th Oct. 1868	...	...
Glasgow (Springbank Road)	,,	11th July 1868	...	...
Kilmarnock	23rd Oct. 1867	8th Oct. 1870	12th Oct. 1867	9th Jan. 1869
West Wemyss	,,	23rd Oct. 1866	...	...
Dunfermline	13th April 1867	13th April 1867	...	...
Mauchline	,,	10th Oct. 1868	...	...
Penicuik	,,	12th Oct. 1867	...	...
Paisley Equitable	,,	10th April 1869	...	...
Paisley Provident	,,	9th Jan. 1869	...	...
Annan	12th Oct. 1867	...	...	...
Hawick	,,	12th Oct. 1867	...	...
Kingskettle	,,	,,	...	...
Lochgelly	,,	,,	...	...
Montrose	,,	,,	...	...
Port-Glasgow	,,	10th Oct. 1868	...	...
Tillicoultry	,,	12th Oct. 1867	...	...
Dalziel	11th Jan. 1868	11th July 1868	...	...
Johnstone Flax Mill	11th April 1868	,,	...	...
Brechin	10th Oct. 1868	9th Jan. 1869	...	...

* The dates in these columns are the dates of the quarter or half-year's closing.

† ‡ It appears that these entries refer to only two Edinburgh societies.

Mr Borrowman settled down to do the whole of the business of the S.C.W.S. with a staff scarcely larger in numbers than that required in the telephone room at Morrison Street to-day. He and Mr Marshall, with three or four dispatch men and an office boy, sufficed. The first cash book records that the first payment made for goods was to a Union Street firm for a supply of butter. St Rollox Society, whose representative moved the formal resolution which established the society, had the honour

of being the first society to which payment for a sale is credited. Mr John Allan, the secretary, reviewing the beginning a few years later, spoke of the suspicion with which the new concern was regarded by some of its interested rivals. Commercial travellers, he said, seemed shy about visiting the Society, and there were incidents of an unpleasant nature in connection with orders sent to merchants which (to quote Mr Allan) showed a suspicion " that this new Wholesale house, with the uncommon designation, had a relationship to what is termed the ' Long Firm.' " If it took commercial travellers some little time to accustom themselves to the S.C.W.S., it also took the buyers for retail Co-operative societies some little time. They knew the Wholesale Society was established for them, and that it was financed by their societies, and that they ought to purchase what they could purchase from it. At the same time, there were trade friendships established here and there which some Co-operators were reluctant to break because it seemed unkind. The trade was not so large as the promoters of the Wholesale had expected. The Survey Report for 1867, already referred to*, showed that the trade of the Scottish societies exceeded £800,000 per annum. That had given great hopes to the S.C.W.S. committee. They knew quite well that they could not hope to get the whole of the trade of these societies ; for the Wholesale was dealing in little but groceries and provisions, some Alloa yarn, and a few other odds and ends ; and even had their warehouse provided for everything, it would have been next to impossible to undertake extensive trade with some of the more remote societies in certain classes of goods which the societies regarded as local produce. However, there were forty societies represented at the meetings held in Glasgow and Edinburgh in January 1868 when the committee were directed to proceed with the establishment of the Wholesale. The committee naturally looked to those societies, but there were only thirty societies represented at the meeting in the following August ; and when the first quarterly report† of the committee was completed, it was seen that out of the forty societies that had agreed to establish the Wholesale Society, and out of the 134 societies in Scotland, only twenty-eight had become shareholders or members. Whatever total turnover the committee expected,

* See Appendix II. † See Appendix VI.

the actual sales were somewhat disappointing, for the quarter's trade was only £9,697. An analysis prepared for the S.C.W.S. Majority Celebration showed that these figures represented the purchases of fifty-six societies including the twenty-eight shareholders; and that of the £9,697, £7,900 represented the purchases of the shareholders, whose total investments amounted to £1,795. These investments included, besides share capital, loan capital advanced by Kilmarnock, Alva, Barrhead, and Bannockburn societies. The analysis showed that the shareholding societies represented roughly about one-fifth of the total membership of local societies in Scotland; they had share capital amounting to about £18,000, and their total sales were £38,000. Viewed in the light of that analysis, the pioneer societies were creditably loyal to the new Wholesale Society. These societies were Crosshouse, Kilmarnock, Tillicoultry, Alva, Newmilns, St Rollox, Barrhead, Galston, Govan, Bo'ness, Menstrie, Cathcart, Bannockburn, Thurso, Portobello, St Cuthbert's, Penicuik, Lochgelly, Paisley Provident, Paisley Equitable, Dumbarton, Vale of Leven, Thornliebank, Port-Glasgow, Dalziel, Troon, and Dunfermline.

The net profit shown on the quarter's trading amounted only to £48, 12s. 10½d., after allowing the fixed rate of interest on capital, and depreciating fixtures by £9, 17s. The £48, 12s. 10½d. might have gone in dividends on the purchases made by the members; but the committee and the members agreed to set it aside to inaugurate a reserve fund. It was the first contribution to a fund that had well exceeded half a million* before the Society's fiftieth anniversary was reached. The members, at the quarterly meeting on 2nd January 1869, also established the principle of a fixed contribution, in proportion to profits, to this reserve fund which they had established. When they reviewed the quarter's business in all its aspects, they felt satisfied on the whole, and felt impelled to go ahead. Bigger schemes were hinted at in the way of Co-operative enterprise, and, if these were not ultimately carried out as then suggested, their purpose was largely attained by other means, under Co-operative auspices, in later years. Three months later, when the second quarterly report appeared, the directors congratulated the members "on the rapidly increasing business done"; they

* With the Insurance Funds added the Reserve Fund exceeds a million.

also noted with pleasure "as an omen of future expansion," the increasing number of purchasing societies, as well as "the intelligent interest evinced by many members." The sales, which averaged £1,200 per week in the first quarter, had risen to fully £1,500 per week, the total for the accounting period being £15,592, on which, after paying working expenses, there was a profit of £157, 16s. That the committee recommended should be allocated as follows :—Dividend on purchases, £118, 4s.; reserve fund, £8, 12s. ; depreciation of fixed stock, £31. This was satisfactory, but the committee told the members that "they could not shut their eyes to the fact that there is still ample room for improvement." The steady tale of increases, to which readers of Wholesale balance-sheets are accustomed, had begun ; but the most gratifying increase was in the number of purchasing societies, the fifty-six of the first quarter having become eighty-three in the second. Ten more societies were added to the roll of customers in the third quarter, when the sales mounted up to £17,688, and there was £260 available for dividend. The committee, who evidently provided the formula for successive committees, thought it wise to draw the attention of delegates to the fact that "your business would be greatly and profitably extended if retail societies would see it to be their duty (as it is their true interest) to purchase exclusively through this agency." When Lord Macaulay's traveller from New Zealand shall take his stand upon a broken arch of London Bridge to sketch the ruins of St Paul's, Co-operative committees will still be found adjuring their members that it is their duty, as it is their interest, to purchase exclusively through the societies they themselves have established—unless, indeed, which is far from impossible, the Co-operative Commonwealth has ere then arrived. It is the little improvement constantly advocated, constantly effected, that has brought about the remarkable growth of the Co-operative movement. Nothing seemed too little to note in those early days ; nothing seems too little to note in these prosperous days. In that third quarterly report of a concern intended to revolutionise the distribution and production of goods, it was thought of sufficient importance to mention that arrangements had been made for supplies of Cork and Kiel butter and of Gouda cheese. The fourth quarter showed a continued record of progress, and, when the end of

1869 was reached and the members of the Wholesale reviewed their first complete calendar year's efforts, they were gratified with a turnover of £81,094, 2s. 6d. (£90,791, 9s. 7d. from the beginning of the society), which yielded £1,303, 15s., adding £63, 9s. 11d. to the reserve fund, and depreciating the fixed stock by £129, 2s. 2d. The total capital invested in the Society was £51,740.

The path to progress seemed to be cleared. Before other six months had passed Robert Macintosh was engaged as a clerk. His appointment dates from April 1870. In April 1920 Mr Macintosh will attain the jubilee of his service with the Wholesale. The writer has already pointed out, in an article in the *International Co-operative Bulletin*, how the Wholesale Society has benefited during the war by having had in its service experienced officials, who have carried the Society through the stress of war crises before. This veteran of the service, who still keeps his finger on the Wholesale Society's great calculating machinery, was at his desk in the old office in Madeira Court three months before that fateful July day when the Franco-Prussian War broke out with the suddenness of a thunderstorm, and we may add that he has had his hand on the first set of books used by every department of the Wholesale established since then. Other personal interests may be mentioned here to preserve the chronology of our history. John Alexander, of Paisley, had become an auditor in 1869, and held the office till 1902. Two years later, in 1871, the president of the Society retired. Mr Merrylees was one of a group of sturdy Kilmarnock Co-operators. He had taken a leading part in the propaganda which led to the establishment of the Wholesale, and his term of presidency was one of difficulty, as the piloting of a new organisation must always be when it is manned by conscientious officials. Mr Merrylees discharged his duties with much acceptance, and his retirement from the chair was much regretted by his colleagues and by the delegates over whose deliberations he presided at the quarterly meetings. On giving up his post he went to Gloucester, where he devoted his energies to politics under the Liberal banner. In 1881 he was appointed works manager for the Gloucester Railway Carriage and Waggon Company, but in 1892 he resigned, and entered into business on his own account. Vigorous till the last, he was on his way home from a Liberal

gathering in October 1908 when he was knocked down by a cyclist and slightly injured ; but the shock proved too much for the man of seventy-three, and he died before help reached him.

One notable innovation in 1870 cannot be ignored. The very earliest Co-operators, whose efforts in Scotland have been recorded, had set their minds upon improving the conditions of labour. It was with that end in view that they contemplated "employing themselves." Consideration for their employees was a distinguishing characteristic of Co-operative societies, not only in Scotland but in England also. The view of the Co-operative society was that there must be something in the Co-operative service to raise it above the level of other employment, and it was with that end in view that the S.C.W.S., in October 1870, decided that all employees should be paid a bonus on wages at a rate double the rate of dividend on purchases. It was a boon to the employees if viewed only as a financial advantage ; but it recognised that the worker, as well as the purchaser, contributed to the success of the business, and was entitled to share in the profits. The bonus had been paid by some, though not all, societies, and, even in this early form adopted by the Wholesale Society, it was very much appreciated by the employees, and it served a useful purpose. The system had its critics ; but idealism prevailed for many years.

The employees were few in number, and that, perhaps, made the inauguration of a profit-sharing scheme a matter of less difficulty than it would have been in later years. The numbers were growing nevertheless. The success of the first two years begat success. Additional purchasers and additional members were attracted, and each succeeding quarter saw an increase in the sales. The committee, who were mildly jubilant over their turnover of £81,000 in 1869, saw a total of £105,000 recorded for the following year ; 1871 brought an increase of over £50,000, and 1872 yielded a total turnover of over a quarter of a million. The figure almost overwhelmed the committee. The warehouse was hopelessly inadequate, and a site was purchased in Paisley Road in May 1872. This site, extending to 1,437 square yards, and costing £5,031, 16s. 5d., was the nucleus of the wonderful aggregation of land and property now owned in the Kingston district of Glasgow. While these preliminary steps were taken—and the expenditure of £5,000 on

GROUP OF JOINT BUYERS, 1897

SOME VETERAN OFFICIALS IN 1918

(1) E. Ross, Grocery Buyer; appointed to the Staff in 1872 as Assistant to James Marshall.
(2) D. Gardiner; entered the Service in 1873 when the Society commenced the Drapery trade.
(3) A. Gray; Director in 1873, and Secretary in 1874, when he was appointed Cashier.
(4) W. F. Stewart; Director, 1871; Manager of Leith Branch, 1877; Commercial Manager of Flour Mills since 1894.

land was no small matter to a Society which at that time had less than £30,000 of capital all told—other provisions had to be made to meet the increasing trade. Mr Marshall was finding his duties as buyer too much for him and an assistant had to be provided. The committee, on the advice of Mr Marshall, appointed Mr Ebenezer Ross, who was also the son of a Tillicoultry Co-operator, and who had given his services to Co-operation in the Hillfoots. Mr Ross, then young, devoted to his task, cooped up for a considerable part of his time in the dingy quarters in Madeira Court, is now the presiding genius in one of the most palatial grocery establishments in Glasgow, owned by the same Society which then called him to the service of the Co-operators of Scotland.

The committee's chief concern for nearly a year was the building of the new warehouse. Plans were prepared by Mr John Spence, architect, Renfield Street, Glasgow, and a building was erected to which Co-operators of that period applied such descriptions as "extensive and substantial," "commodious," "imposing and pleasant looking." Co-operative readers who ponder over these adjectives and identify the building as the eastern block of the group which occupies the triangular site bounded by Dundas Street, Paisley Road, and Morrison Street, will realise from what small beginnings the S.C.W.S. as they know it has come. It is reckoned as of no value, according to the present-day balance-sheets of the Society; but it represented an enormous part of the assets of the pioneers. Its opening, on Friday, 19th September 1873, was the occasion for the first of many festivals held under the auspices of the S.C.W.S. A great gathering of 400 representative Co-operators assembled for dinner in the afternoon in the upper part of the warehouse. Around the walls of the warehouse were displayed specimens of the products of some of the existing Co-operative manufacturing societies for which the Wholesale Society acted as agents. The Paisley Co-operative Manufacturing Society figured among the exhibitors. It is the only exhibiting society that has survived the ravages of time, and already negotiations have been set on foot by the Wholesale Society for the transfer of the Paisley Manufacturing business to the S.C.W.S. It is of interest to recall that the other societies concerned in the exhibition were the Auchtermuchty Manufacturing Society,

which was formed in 1862 to provide constant employment for the handloom weavers; the Hawick Hosiery Company, formed in 1872 as a means of putting an end to a strike; the Dunfermline Manufacturing Society, brought into existence by reason of the success of the Dunfermline Co-operative Distributive Society; the Lurgan Damask, Linen, and Handkerchief Manufacturing Society, established on the collapse of a trade union and twice saved from collapsing itself by the exertions of the Wholesale Societies of England and Scotland; the Eccles and Patricroft Society, which was also the creation of a group of handloom weavers. Other societies which showed specimens of their work—societies in which Scottish Co-operators were afterwards to have a more intimate concern—were the Scottish Ironworks Company and the Glasgow Co-operative Cooperage Company.

The gathering on that occasion was a memorable one. Doing the honours were the chairman, Mr Alexander Meldrum; the secretary, Mr John Allan; the treasurer, Mr G. Thomson; and the directors of the Society—Messrs J. Stevenson, Kilmarnock; George Bell, Alloa; J. Douglas, Auchterarder; J. Jack, Vale of Leven; William Brown, Lochgelly; Walter Swan, Bathgate; James Scotland, Perth; J. Murphy, Lanark; and P. M'Shane, Johnstone. Present also on the platform were "the salesmen," Messrs Marshall and Ross. Delegates were present from the societies interested in the Wholesale Society in Scotland, and it will no doubt delight Co-operative guildswomen to know that the company included ladies; but there were, besides, quite a number of distinguished Co-operators from England. Among these notables were G. J. Holyoake, Lloyd Jones, James Crabtree (the president of the C.W.S., Manchester), William Nuttall (the secretary of the Co-operative Congress), James Howell (ex-secretary of the Reform League), and others; while messages expressing regret for absence, and good will for the new venture, were received from W. Morrison, M.P.,; Thomas Hughes, M.P.; Auberon Herbert, M.P.; G. Anderson, M.P.; and J. M. Ludlow. The chairman expressed what he believed to be the view of all present when he said that the new warehouse was "a noble monument of the past success of the Society." Notwithstanding that, he urged the societies in Scotland to rise to a more complete appreciation of the usefulness of the Wholesale. "Supposing," he said, "some benevolent

gentleman had contributed money or built his warehouse for the purpose of supplying goods to the working-classes at wholesale prices; would he not have been called a great philanthropist? And would he not have deserved the title?" In that opening speech Mr Meldrum, who is still alive and resident among his friends in Scotland, laid down in a single sentence the whole Co-operative creed when he said: "I hold that the working people should never depend upon any rich man to help them." As showing what the president of the Wholesale Society thought of the industrial position in those days, let us quote one point from Mr Meldrum's interesting speech—interesting even after the lapse of forty-eight years, for the same doctrine is still being preached. The passage is this: "Permit me to say one word regarding my opinions to trade unions, and particularly . . . the miners. Instead of their hoarding up their money . . . and struggling with the owners of coal pits . . . working men who believe themselves to be slaves can, by means of Co-operation, make themselves free by becoming their own employers." It is a call to the trade unions that Co-operators have been making with renewed sincerity especially during recent years. Mr John Allan's contribution to the oratory of that afternoon was not intended to be a sermon to the converted. It was a plain narrative—Mr John Allan was always practical—of what the Wholesale Society had done and could do if Co-operators in Scotland fully realised the power of collectivist effort. The president of the Wholesale Society of Manchester paid warm tribute to the Co-operators of Scotland for the "very rapid progress" that had already been made by their Wholesale federation. The afternoon's proceedings were also rendered interesting because of the brief exposition of the Co-operative sentiment, or Co-operative view, contained in the speech delivered by Mr Holyoake. "What Co-operation sought to establish in the world was not benevolence—not humanitarianism —but equity." Another very definite lead given to Co-operation at that gathering was in the speech of Dr. Rutherford, of Newcastle, chairman of the Ouseburn Engine Works—a Co-operative venture—who, describing the needs of the people, the number of mouths to be filled, the quantity of foods that had to be brought from overseas, said: "I do not see why

there should not be Co-operative ships, sailors, and engines. Shipping is a profitable thing, and yields 20 and 15 per cent. I know of one boat which has yielded 30 per cent. on one voyage alone. As Co-operation contributes to these profits by its merchant trade, I do not see why it should not participate in the profit. We must take courage, be earnest and united, and if in combination with these we show other characteristics, Co-operative societies will become stronger, and form a link between conflicting interests." With the problems of the war period still weighing upon the nation, and upon no part of the nation more heavily than upon the working masses, it seems as if Dr. Rutherford still addresses, to the Co-operative world, words of counsel which compel attention.

The afternoon's gathering was followed by a great meeting in the evening, when the City Hall was filled, under the presidency of Provost Bennet, of Dumbarton, who was then president of the Scottish Co-operative Iron Works. It was a great propaganda gathering. Three resolutions were submitted to that meeting, by those who had spoken earlier in the day, which placed on record the Co-operative view of the social problem and the remedy. Those resolutions were :—

(1) " That the concurrent increase of wealth and growth of poverty in Great Britain is an anomaly disgraceful to civilisation and dangerous to the welfare of the country ; and that the Co-operative system in aiming at securing integrity and economy in the business of distribution is capable of bringing about a more equitable diffusion of the rapidly increasing wealth of the nation."

(2) " That in the opinion of this meeting the efforts made by the various co-operative societies throughout the Kingdom to harmonise the interests of capital and labour by promoting co-operative production and partnership of industry are well calculated to correct the antagonisms arising from the present relationship of the employer and the employed."

(3) " That this meeting recognises in Co-operation the most effective means of permanently raising the condition of the people."

We give these resolutions in full because they will focus the attention of readers on the first declarations of the Scottish Wholesale Society to the public outside the stores of Scotland. They show that, while the plight of the people is somewhat improved in the present age by the effects of Co-operation, problems which confront the masses to-day were problems then. The Co-operative movement has from its inception been faced

with the problems caused by the inequitable distribution of wealth. Mr Lloyd Jones pointed out, in moving the first resolution, that in the closing years of the eighteenth century the machinery of the country had a productive capacity equal to that of three million men; and that in 1873, by various inventions and the multiplication of machinery, the mechanical productive power was equal to that of 1,000 million men; yet at the latter period there were as many paupers in the country as at the former. In other words, he explained, the development of mechanical power, of the production of wealth, had made the rich richer and the poor poorer. The Scottish Co-operative Wholesale Society was one of the instruments chosen by the people to change this. During its first five years the S.C.W.S. made strides in that direction. It sought to give the people some control over these wealth-creating devices so that the wealth they created might be at the service of the people. Mr John Allan's summary of its efforts meant that the Wholesale, in carrying out that idea, had invested its money in the Paisley Co-operative Manufacturing Society, in the Glasgow Cooperage, and in the Oak Mill Company, thus helping these "labour elevating institutions." It had also become the agent for the principal Co-operative manufacturing societies in the kingdom. It had been during those five years the centre of Co-operative inquiry, Co-operative aspirations, and Co-operative active exertion. It had helped other societies to tide over troubles by means of its advice and its business accommodation. It had given an impetus to the formation of new societies, and had extended and helped to consolidate Co-operative effort in Scotland.

So much, roughly, may be claimed for the S.C.W.S. itself up till the time of that first great demonstration; but, in addition to that, it had also, thus early in its career, entered into an arrangement with the C.W.S. at Manchester for purchasing, conjointly, whatever would be mutually advantageous. Little remained to go to complete the fifth year's record; but that little meant a great deal. It was decided to establish a proper drapery department, so that this important branch of the trade of the Wholesale Society might be put upon a better business footing than was possible when drapery goods were sold in the grocery departments. Mr David Gardiner, of the Bathgate

Co-operative Society, was appointed to undertake the organisation of the department and to act as drapery buyer. He was offered the prodigious salary of £110 per annum, and that was only four shillings per week more than he had in Bathgate. It was not a big inducement to change his home, nor was it a big reward for his increased responsibility. Many friends urged him to remain where he was; but Mr Gardiner shouldered the new responsibilities, and is shouldering the greater responsibilities of the S.C.W.S. drapery department and its allied factories to-day. Assisted by two young women, in December 1873, he established the drapery department in a corner of the imposing warehouse opened with so much pomp in September. He planted a mustard-seed which took root and grew. Like most wholesale drapery businesses, it combined for a time the furniture, furnishings, and boot and shoe trades; and Mr Gardiner fathered what was destined to become a very large business. A period which saw the S.C.W.S. established in a warehouse of its own, built on a site for which it had paid £5,000 in good coin of the realm; a period which saw the inception of a business which afterwards brought into being a crop of great productive factories; and a period which brought into the service of the Wholesale three of the oldest and most trusted servants who lived to see its jubilee attained, is not the least important period in a memorable history. The officials named are not the only surviving veterans connected with that period. "W. F. Stewart, of Penicuik," "Allan Gray, of Bathgate," "James Murphy, of Lanark"—who were directors of the period—may be identified still with the Wholesale's flour mills, and its cash office; and with the Lanark Co-operative Society. Many will envy these men the satisfaction they derive from the contemplation of that first period of five years when they rejoiced to find the Society with 127 purchasing shareholders and gratified at the year's turnover of £384,489, which brought the five years' total up to a little over a million.

VI.

SERIOUS STORMS SAFELY WEATHERED.

THE WHOLESALE'S ONE SERIOUS CRISIS—HOW THE CO-OPERATIVE IRONWORKS BEGAN—MEN AT THE HEAD OF THE CONCERN—ITS AMBITIOUS SCHEMES—THE S.C.W.S. ENDEAVOUR TO SAVE IT—THE MANAGER'S MISTAKE—WHOLESALE DELEGATES HOPE FOR SUCCESS—HEATED DISCUSSIONS AT QUARTERLY MEETINGS—MANAGER CRITICISED—JAMES MARSHALL SUCCEEDS JAMES BORROWMAN—IRONWORKS DIRECTORS' OPTIMISTIC SPEECHES—THE CRASH—WHOLESALE SOCIETY JEOPARDISED—A SOLUTION FROM PENICUIK—THE LOYALTY OF THE RETAIL SOCIETIES—THE CRISIS PAST—A SALUTARY LESSON TAKEN TO HEART.

It would have been too much to expect that the wave of prosperity that had carried the Society along from the beginning would not recede sometime. It did recede, and some of the most stalwart friends of the Wholesale were alarmed. In the whole history of the S.C.W.S. there has been no more critical period than that which was encountered almost immediately after the triumphs celebrated in the opening of the Paisley Road warehouse. The crisis was brought about by the collapse of the Scottish Co-operative Ironworks Company, a concern to which reference has been made earlier, in which a good many co-operators were shareholders, and in which nearly all the societies connected with the Wholesale were involved through the Wholesale Society's association with it.

The Ironworks Company, like some of the other productive concerns mentioned in the last chapter, had its origin in labour unrest—even then no new thing. The engineers—and Clyde engineers, too—had been conducting an agitation for shorter hours, and the agitation succeeded tolerably well. That was in 1872. When the struggle was over "a number of the leaders who had become publicly known through their advocacy of working-class interests were discharged from their various workshops. In these circumstances it was proposed that a co-

operative iron company should be formed, and meetings that were held in May and June (1872) elicited promises of support which justified the prosecution of the scheme."* So the idea grew. James Borrowman, the manager of the S.C.W.S., was a whole-hearted supporter of the scheme. He and others delivered lectures at all the trade meetings to which they had access, and on 6th July 1872, in St Enoch's Hall, Glasgow, there was a general meeting of those interested, and steps were taken for its formation. "The Glasgow artisans interested learned that a number of artisans in Dumbarton were labouring in a similar direction, their special object being to commence shipbuilding on the co-operative system." † The two groups of enthusiasts joined their forces together, and resolved to combine the idea of a co-operative ironwork with the idea of a co-operative shipbuilding and engineering concern. Rules were drawn up and duly sanctioned by the Registrar; and a directorate was constituted, which comprised men who were connected with the various branches of the trade, and practically acquainted with its requirements. The Company was registered under the Industrial and Provident Societies Act and the Companies Act, and the share capital was fixed at £50,000 in £1 shares, transferable. The basis of the scheme was that capital was to be paid 5 per cent., and labour was to be paid at the current rates of wages, while the profit was to be equally divided at so much per £ on capital invested and wages earned.‡

The directors of the Ironworks were men of considerable weight. Prominent Dumbarton members of the directorate were Provost Bennet, Bailie Buchanan, and Councillor Cochrane. Several Glasgow men were members of the board, and there were directors also from Edinburgh, Motherwell, Airdrie, and Troon. The shareholders were drawn from these places, where engineers and iron workers were interested in the experiment. When it was thought that the Company had received sufficient capital with which to make a beginning, the directors secured ground

* *Glasgow Herald*, July 1873.

† *Glasgow News*, November 1873.

‡ It will be observed that the scheme did not follow the scheme of the Wholesale Society itself, which paid its fixed interest on capital, paid the employees part of the profits in the form of bonus on their wages, but gave the rest of the profits to the purchasers in the form of dividend on their purchases.

and buildings which constituted part of an old ironworks at St Rollox. Part of the old plant went with the building—a steam engine, boiler, and various machine-tools and other appliances —and comparatively early in 1873 work was commenced. The directors were not satisfied with that venture ; and, in view of the fact that so many of the shareholders were engaged in the shipbuilding trades, they first leased a yard at Troon for carrying out ship repairs, but very soon afterwards the Company purchased about six acres of ground at Irvine for building new ships, and for doing marine engine work in connection with the St Rollox works. This was an ambitious venture. It would have been a big venture for the Scottish Wholesale Society to embark upon to-day with its big capital ; and it seems almost incredible, in the light of our wider experience, that the Ironworks Company should have attempted it when we discover that the total share capital subscribed by November 1873—*i.e.*, after having taken on these responsibilities—was only about £6,000. The Company employed about 100 men at St Rollox, and the workers employed at their Irvine yard brought the total up to nearly 250. These men were all shareholders ; indeed, it was a condition that anyone in receipt of wages from the Company must be a shareholder. The *Glasgow Herald*, in an appreciative article in the middle of 1873, mentioned that a large number of contracts had been completed, and there were at that time contracts on hand to the value of about £6,000.

A report of the first annual meeting of the shareholders, in 1873, appeared in the *Co-operative News*. The report submitted by the directors was not glowing. The directors, in their preamble to the balance-sheet, admitted that the report was not so satisfactory as they could have desired ; but they pointed out the great difficulties and obstacles in the way of forming a new company, and in the starting and carrying on of two separate works, and they expressed the hope that, " although short of the expectations of the more sanguine," the progress indicated would meet with the approval of the shareholders. They admitted that careful and energetic supervision was wanted, and they appealed to the shareholders to appoint to the board men who could devote time and energy to the work. They also urged the shareholders to take up additional shares, and to use their influence to induce others to take shares ; and the directors'

report continued, "We have every confidence in recommending it as a safe and likely to become highly profitable investment." Confident as to the future they may have been; but they "did not consider it judicious to show any profit" in that balance-sheet. The balance-sheet was "duly criticised," according to the *Co-operative News* report, but it was adopted unanimously, and the members were addressed by Mr Borrowman.

Even before the end of 1873 there were whisperings of a somewhat sinister character regarding the Ironworks, but few people paid very serious attention to them, and least of all, apparently, did the directors of the concern. The general impression was that the nature of the industry in which the company was engaged was such as to require pretty heavy expenditure before contracts could be executed; and the result was that societies kept investing a little capital in the company, although they were aware that it was in debt. The sympathy of Mr Borrowman, the manager of the Wholesale, was a very considerable asset to the Ironworks. Like a number of other societies, the Ironworks Company was in the habit of depositing its cash in the Wholesale, and withdrawing it when wanted; but, very unlike other societies, it allowed itself to remain in debt through overdrawing its account. The accounts presented by the Wholesale Society to its own shareholders were models of publicity in those days; and they are still. In the accounts then published the position of every shareholder was made clear, and it was seen that the Ironworks Company had been allowed to overdraw or had had cash advanced. When the quarterly meeting was held on New Year's Day 1874 the whole question was raised by the delegates. The report of the meeting states that "Mr Borrowman went into the matter, and thoroughly explained the reasons which induced him to make the advances referred to, exonerating all in connection with the management from blame. He explained also, not in justification of his position, but as an expression of his faith and confidence, that the results would prove to be successful and profitable in the end." There was a discussion on the whole position; but the delegates did not appear to think that the situation called for any special intervention on their part, for they decided to leave the whole matter in the hands of the committee to take whatever steps they thought fit to safeguard the interests of the society.

The decision did not please everybody. The committee did what they thought best to save the Ironworks, not only for the reputation of the movement, but for the sake of the Wholesale Society's own financial interests. Money was still being advanced with the approval of the committee, but it transpired that over £9,000 had been advanced without their knowledge. Mr Borrowman was so full of optimism, and his Co-operative zeal was so pronounced, that the committee partly shared his hopes of the future success of the Ironworks. Mr John Allan, the secretary, was, nevertheless, appointed cashier—a post which Mr Borrowman had formerly coupled with that of manager.

The Ironworks Company still went on, and its directors put a brave face upon the matter. Probably we might be disposed to vary " brave " for another word, in the light of all the circumstances ; but, while the quarterly meeting of the Wholesale Society was to be held in Glasgow on 28th March, the " annual soiree and concert " of the shareholders and employees of the Ironworks was held, also in Glasgow, on 27th March—the evening before. There was a large attendance in the Assembly Hall, Bath Street, where the soiree was held. Mr Howie, manager of the works, presided, and the platform party included Mr Borrowman. Others present were Provost Bennet, the chairman of the company ; the Rev. Robert Thomson, of Ladywell Church ; and others of less influence. Mr Thomson delivered a very eloquent address on the merits of co-operation generally, but he described, with the greatest possible enthusiasm, visits he had paid to the works at St Rollox and at Irvine, and he expressed his great delight at the extent of the work the company had on hand. " The situation of their shipbuilding branch at Irvine could not be better," he said. He looked forward to the time when Irvine would be too small for the company, and hoped " they would go on building larger vessels year after year till they would be equal to any other large shipbuilding firms on the Clyde." This was very heartening to the shareholders of the company, and no doubt reassured employees present who were connected with other Co-operative ventures in Glasgow, and who might be present as delegates at the S.C.W.S. meeting the following day. Mr Borrowman spoke, and enlarged upon the benefits of Co-operation, urging the people present to do everything possible to extend Co-operative efforts. If he

said anything about the Ironworks particularly it is not recorded in the *Co-operative News* report. Provost Bennet, however, was most optimistic. He was sorry to say that the working-classes of the city did not take up the spirit of Co-operation as they ought to do, and it was to that defect on their part that he attributed the fact that the Ironworks were "not in that high state of perfection that they ought to be." He confessed that the company had had "a great many difficulties to contend with at the beginning, *but they had got over these, and he was glad that the company was now in a more satisfactory condition.*" That, from the Provost, was a decidedly comforting speech for those who had doubts about the stability of the Ironworks Company; and the Provost concluded by expressing the hope that "good results would flow from that respectable and interesting meeting."

The following day, when the Wholesale shareholders met, the matter was gone into again. Mr Meldrum, who presided, gave a detailed statement of the action taken by the Wholesale board, and his account was supplemented by Mr John Stevenson, of Kilmarnock, who was then a member of the board. A serious discussion ensued, and men of equal Co-operative enthusiasm, and equally sound sense, were found ranged upon opposite sides. Archibald Ewing, of Alloa, Robert Finlay, of Tillicoultry, Leckie, of Bannockburn, Gray, of Alva, and others, were stoutly censorious of the board's method of dealing with the Ironworks Company. Their attitude was that the company was in a bad position, and that it would be unable to retrieve its fortunes, and so they urged that the Wholesale Society should make no more advances to it. Other stalwarts like John Ramsay, of Bo'ness, John Poole, of Portobello, and R. Scott, of Edinburgh, were firmly convinced that the board had acted wisely in the interests of both concerns—the Wholesale and the Ironworks—and that the board had done the best thing possible for the cause of Co-operation; and they stoutly urged that the Wholesale should continue to give financial assistance to the company to enable it to tide over its difficulties. This, they believed, was the only way in which the company could be saved, and the only means by which it would ever be able to pay back the advances already made. One fact, creditable to the democratic spirit of the delegates assembled there, was the complete confidence

which the meeting had in the directors whom they had elected to conduct their business; for, despite the heat that had arisen over this question, and the great interest that was at stake, the delegates ultimately decided, by a very large majority, that the matter should still be left entirely in the hands of the directors, to be dealt with at their discretion. This confidence was all the more creditable to the delegates and to the directors alike because the Wholesale Society itself was somewhat pinched for money, and at this same meeting the directors were given power to raise a sum of £5,000 on the security of its property.

As we have already mentioned, Mr John Allan had been appointed cashier for the society. At the meeting just described a secretary had to be appointed. The position of affairs generally gave a very special importance to the election. Mr John Arnott, of Grangemouth, had been appointed by the board to act as interim secretary. He was nominated for the post at this meeting (although he was not able to be present); but there was also nominated Messrs Allan Gray, manager of Bathgate Society; A. M'Lean, the manager of the Govan Equitable Society; T. Hodgson, of Barrhead; and Smith, of St Rollox. After a second ballot between Mr Arnott and Mr Gray, the latter, who was also a member of the board, was elected by 63 votes against 59. Mr Gray was not destined to act as secretary for any length of time. Before the next quarterly meeting took place Mr Allan had resigned the post of cashier, and the committee had appointed Mr Gray to that office, which he still adorns. Andrew Miller, of Tillicoultry, who was commissioned to act as interim secretary in succession to Mr Gray, was confirmed in office at the quarterly meeting of the shareholders in June, and retained his post till death called him in 1907. The affairs of the Ironworks had gone from bad to worse. Deputations were sent by the company to various co-operative meetings and conferences throughout the country to explain the position. In May representatives attended the East of Scotland Conference, to many of the delegates at which one of the emissaries, Mr Balmain, of St Cuthbert's Association, was well known. The conference agreed that delegates present should recommend their societies to help the Ironworks by taking shares. The members of the Penicuik Society, after hearing a statement from a representative of the Ironworks,

agreed to take shares to the value of £10 and debentures to the value of £50, but that was only on condition that the Wholesale Society did not press for an immediate repayment of the money owing by the company. Kilmarnock Society subscribed £100, and Thornliebank, Kilbarchan, and other societies also subscribed to the capital of the company to help it over its difficulties. When the quarterly meeting was held in June the committee minutes submitted contained many references to the Ironworks, and to the committee's dealings with the company. There were again discussions of a protracted nature; but the minutes were approved, although several resolutions were moved. The frequent discussions regarding the relations between the Wholesale and the Ironworks were undoubtedly having a deleterious effect. Stephen Cranstoun, of Penicuik, although he had only a month or two before been favourable to his own society taking shares and debentures in the company, moved that a special committee should be appointed to consider the whole workings of the Wholesale and its financial position. The majority were satisfied, however, and his motion was rejected in favour of a motion for the adoption of the balance-sheet. About 140 delegates attended the September quarterly meeting—a number that was only regarded as fair at that time—and the greater part of the time was taken up with the same old trouble. The affairs of the Ironworks had gone still worse, and the critics of the board were very outspoken. A feeling of nervousness had seized the board as well as the delegates; a good deal of extra work fell upon the directors, frequent meetings were called. The balance-sheet showed sales for the quarter amounting to £104,127, which was £6,000 more than for the previous quarter; but the sales for the preceding quarter had been considerably less than the sales for the two quarters that had gone before. The expenses had gone up to from 3d. to nearly 4¼d. per £ of sales, and the dividend was 4d. per £, the same as for the preceding quarter, but below that averaged for the two preceding years. Mr Andrew Boa, a Kinning Park delegate, was one of the keenest of the critics of the board at that meeting; but another was Charles O'Neil, a Paisley Provident salesman and enthusiast, who literally riddled the balance-sheet and the committee. So keen was the criticism that it was actually moved that the balance-sheet be not approved; but this was

defeated on a vote by a substantial majority. Nevertheless, notice of a motion for the next meeting was given ; and a delegate, writing to the Press, made it quite clear that " the real construction of the motion, pure and simple," was : " Is the present manager to be continued at his post ? "

The directors were in a delicate position. James Borrowman had been a strenuous worker with John M'Innes for the establishment of the Wholesale. From the inception of the Society he had been a strenuous worker for its success, and had given ceaseless help to every Co-operative venture that had been established or which it was sought to establish. At the same time, they could not shut their eyes to the fact that he had, of his own initiative, and on his own responsibility, jeopardised the Wholesale Society itself. His action was the undeniable cause of serious divisions in the Society and in the societies that had their money invested in the Wholesale. The effect of the divisions was showing itself in retarded trade increases and in the wavering loyalty of societies. Had the board been governed by the ethics of the modern business mind, the manager would have been asked to resign when it was discovered that he had mortgaged the money of the Society without the knowledge of the directors appointed by the shareholders to conserve their interests ; but they were willing to give him the benefit of the doubt in accordance with Co-operative notions of fair play ; and, as we have seen, the shareholders themselves at their quarterly meetings agreed with the board by repeatedly refusing to interfere with what the directors believed to be the correct course to pursue. The Ironworks, however, were on the point of collapse. The Wholesale directors were keeping a close eye upon the affairs of the company, and, in order to preserve the Wholesale itself, they decided that Mr Borrowman would have to resign. He submitted somewhat resentfully. Naturally, he thought of the days and nights he had worked for the success of Co-operation and of that Society particularly. His friends did not prove the best of counsellors. He communicated with societies on the subject. His resignation was accepted in November, and it was decided that he retire from his post at Christmas ; but in December he was addressing Co-operative meetings at Glasgow, Johnstone, and elsewhere, and, to some extent, he was rousing a feeling of sympathy for himself and

hostility to the board for its decision. The excitement which prevailed was evidenced from the fact that over 400 delegates attended the Wholesale shareholders' meeting on New Year's Day, 1875. It was probably one of the most unsatisfactory meetings the shareholders have ever had. The meeting took place in the Nelson Street Chapel Hall, Glasgow ; the proceedings lasted from noon till five o'clock, and the only business disposed of was the reading of the minutes. There was a long discussion on the minutes, then a long discussion upon the suspension of the standing orders, which was moved in order that the delegates might cut out the intermediate business, and get to the discussion of the motion with regard to the management. When the standing orders were, eventually, suspended, there was another long discussion upon the motion itself. The friends of Mr Borrowman, who was by this time out of office, stood up for him, and, of course, others stood up for the committee. Mr Borrowman had canvassed a number of the delegates personally. Mr Alexander Mallace, the late manager of St Cuthbert's Association, once described to the writer his last hand-shake with James Borrowman. Mr Mallace was a delegate to that meeting from Armadale, and, when buttonholed by Mr Borrowman on the morning of the meeting, he told the ex-manager : " I'm not going to promise what I'll do ; but I'm here with a free hand. I'm going to listen to what is to be said on both sides, and I'll vote after that according to what I think is best." Borrowman shook his hand, and said : " I can ask no more than that."

The meeting that day fell almost into disorder, and, at five o'clock, it was adjourned for four weeks. At several district Co-operative conferences the subject was raised, the serious position of the Wholesale was discussed, and resolutions were passed pledging support to the Society. The Ironworks Company's debt to the Wholesale was £10,427, 11s. The company was rapidly tottering to the disastrous fall which actually took place before the adjourned meeting was held. What that meant to the S.C.W.S. may be judged from the fact that its total capital, including shares, loans, and reserves at the end of 1874 was £48,981 ; about £1,049 was reserve funds ; less than £10,000 consisted of shares ; about £18,000 represented loan capital, and about £18,000 more represented private loans.

MORE VETERAN OFFICIALS

(1) William Miller, Manager, Furnishing Departments and Cabinet Factory, since September 1884. (2) D. Campbell, Manager, Printing and Allied Departments, since July 1887. (3) P. Robertson, Manager, Leith Branch; entered Service, September 1887. (4) N. Anderson, J.P., Manager, Preserves, etc., Factories; entered Service, June 1884 (Died since Jubilee date). (5) Ex-Bailie P. Macfarlane, J.P., Manager, Boot Department; entered Service, April 1885.

BOARD OF DIRECTORS, 1899

Back Row—D. Thomson (Dunfermline), Robert Stewart (Kinning Park), A. Miller (Tillicoultry) Secretary, Hy. Murphy (Lanark), John Pearson (Alloa), John Arthur (Paisley), I. M'Donald (Dumbarton).

Front Row—J. Stevenson (Kilmarnock), P. Glasse (St George), W. Maxwell (St Cuthbert's) President, T. C. M'Nab (Leith), T. Little (Galashiels).

The money lost in the Ironworks, therefore, represented more than the entire amount of subscribed capital. Little wonder there was consternation. The societies, however, rallied splendidly. Additional shares and loans were subscribed, nearly £8,000 being deposited within a year. These subscriptions represented the savings of working men and women, who could not afford to lose so much, but who were terribly in earnest about keeping the Wholesale Society in existence, and at the point of efficiency. Their additional subscriptions were to keep the business going; but the £10,000 had gone, and some way of recovering the loss had to be discovered. Penicuik Society found the means of salvation, and sent in a proposal that one penny per £ of the dividend be capitalised, at 5 per cent., until the loss was wiped out. The proposal came before the adjourned meeting on 30th January 1875. It was proposed by Mr Barclay, of Beith, and Mr Cranstoun seconded, on behalf of Penicuik. With the spirit of the Penicuik Society the delegates agreed, but they amended the proposal slightly, inasmuch as they agreed that the payments should not be capitalised. The elections to the board, which took place that day, resulted in Mr Alexander Boa being substituted for Mr Meldrum in the chair; but at the close of the meeting, the delegates paid a sincere tribute to Mr Meldrum. In acknowledging the compliments paid to him, Mr Meldrum confessed to having received many kindnesses at the hands of the delegates. He admitted that they might have had a better chairman, but he claimed that they could not have had one more earnest or more sincere in promoting the Society's welfare. He had been on the board from the commencement of the Society, and he had been chairman for four years. During the whole of the time he had been on the board he had attended every meeting held except one. Mr Meldrum is still proud of the record he then made and of the work he then did; and prouder still that the great organisation weathered the storm which then seemed likely to destroy it. The delegates were satisfied with that day's meeting. The ultimate sale of the assets of the Ironworks Company brought very little return to the Wholesale, but the method proposed by Penicuik, with the modification agreed to at that meeting, recouped the Wholesale with very little inconvenience to the shareholders. The proportion of profits allocated to the redemption fund amounted to

£1,792, 7s. 4d. in 1875. The following years brought, respectively, £1,906, 7s. 3d., £2,455, 1s. 7d., £2,502, 9s., and £1,557, 19s. 9d., the last sum being the amount deducted for 1879, when the account was finally closed.

In the history of a federation, which closes its jubilee year with five and a half millions of capital and reserve funds exceeding a million, it may seem to throw our picture out of perspective to devote so much of our space to the loss of £10,000; but the Wholesale Society had not a reserve fund of a million then, and little would have sent it the way of the Ironworks Company. The loyalty of the members, the careful consideration given to the matter by the humblest workers connected with the Co-operative movement, and, more than anything else, the conviction of the masses of the Co-operators that the Wholesale Society would be, as it had been, a boon to the workers, led to the devotion and energy with which all worked together to forge ahead in spite of the difficulties. It is the only serious crisis with which the Wholesale has been faced in its whole history; and it was, perhaps, no great misfortune, for it taught directors and shareholders a lesson which they have never forgotten. Years have come and gone, but every meeting of the shareholders is attended by delegates who have been at preceding meetings, and who will be at subsequent meetings. The personnel changes, but the traditions of the Wholesale meetings remain unchanged in their essential, and there is no tradition more jealously preserved than that which gives every delegate the title to question any item in the minutes of the board meetings or in the balance-sheet. It is a tradition which took its birth in the democratic conception of the earliest Co-operative societies, but whatever other traditions may have been lost, the recollection of the Ironworks Company will preserve that tradition for all time.

The experience of the S.C.W.S., after the difficulty had been solved by the shareholders at that memorable meeting, was trying. Faith in Co-operation had been shaken in some who had not actually become members of societies. In business circles the loss sustained by the Society had the effect of cooling down the fervour of commercial travellers who had formerly been most pressing for orders. People with whom the Wholesale had done business from its commencement refused orders. The

whole position was explained to them, but they were unable, for their own plausible reasons, to supply the goods the Wholesale wanted. Mr James Marshall, who had been appointed manager in succession to Mr Borrowman; Mr Ebenezer Ross, who became grocery buyer in consequence of the change; and even Mr Macintosh, who had been appointed head bookkeeper in 1875, knew what the difficulties were. It amazed business men in Glasgow and elsewhere to find that a society of working-men could survive under a loss of £10,000. When matters improved, and it was seen that the stability of the Wholesale Society was no longer in question, the travellers discovered the address of the warehouse once more. Mr Ross had no need of them then, and has had no need of them since; but we are glad to be able to put it on record, as evidence that the sense of human gratitude does not die under Co-operative influence, that firms which did not fear to do business with the Wholesale Society in those days of trouble are still doing business with it, and proud of their connection.

VII.

DISTRIBUTIVE BRANCHES DENOTE AND AID PROGRESS.

CHANGES AMONG ELECTED OFFICIALS—HOW THE DIRECTORS WERE APPOINTED AND HOW REMUNERATED—BUSINESS GROWS AT PAISLEY ROAD—SUCCESSFUL AGITATION BY SOCIETIES IN THE EAST—ESTABLISHMENT OF THE LEITH BRANCH—A VENTURE JUSTIFIED BY SUCCESS—SOME WELL-KNOWN LEADERS TAKE THE FIELD—AYRSHIRE AND RENFREWSHIRE SECURE A BRANCH AT KILMARNOCK—MINOR TROUBLES CAUSE SOME LITTLE VEXATION—THE CITY OF GLASGOW BANK CRASH AND THE DEPRESSION WHICH FOLLOWED—CO-OPERATION BETWEEN THE TWO WHOLESALE SOCIETIES—THE INSURANCE FUNDS INAUGURATED—ACTIVITY IN THE NORTH—THE DUNDEE BRANCH AND JOHN BARROWMAN'S EXILE—ENTER MAXWELL.

Except for the temporary cooling down of enthusiasm due to the unhappy circumstances described in the last chapter, the Wholesale Society was making satisfactory progress. John M'Innes proved to be an excellent Press representative, and his quarterly criticisms of the societies referred to in the Wholesale balance-sheet had a very useful effect. Societies that were deficient in loyalty, or behind the figure that their quarterly purchases from the Wholesale ought to reach, were made aware of it not by any pointed reference to themselves, but through the tributes John M'Innes paid to those who excelled in their duty. His methods had the effect of stimulating a healthy spirit of emulation, and societies that were behind the mark one quarter were usually found making an effort to take their proper place the following quarter. Those old balance-sheets show results that may surprise many to-day. At one time the Crosshouse Society topped the list for purchases from the Wholesale; Bo'ness held the premier place several times in succession; Penicuik, Kilmarnock, Barrhead, Tillicoultry, Dumbarton, and Bathgate were frequently singled out for distinction for their excellent buying. When the Ironworks trouble began the quarterly report showed that eleven

societies purchased between them nearly a third of the total goods sold by the Wholesale, the first of the eleven being Bo'ness and the eleventh St Cuthbert's ; and it is interesting to observe that one of the eleven societies was that of Stockton-on-Tees, which probably found Glasgow as convenient for a supply depot as Manchester. In 1875 the sales were only 4·9 per cent. above those of the preceding year ; but the disturbance of the peace of the Co-operators throughout the country, as we have seen, accounted for that comparatively small increase. In the latter part of the year, however, the wonted rate of progress began to show itself, and the directors and the officials began to sleep more contentedly at night.

What, it may be asked, was the position of the directors of this Society at that time ? The chairman and the secretary were nominated and elected personally, as also were the auditors, but the ordinary directors were not so elected. Societies were elected to appoint a representative each on the board. It was a method that enabled the shareholders to recognise the help that particular societies gave to the Wholesale by their large trade, and it accounts, to some extent, for a traditional connection which some societies seemed to have with the Wholesale directorate. At the same time, it was a method that had weaknesses, although they could not be called obvious weaknesses, for some important federations still adhere to the same method. From the foregoing chapter readers will be able to conceive of the amount of responsibility that devolved upon conscientious directors of a concern doing an annual trade of very close upon half a million pounds. Nevertheless, there were no fixed salaries for the directors. They were paid for every meeting they attended, and were paid their railway fare besides—the railway fare in those days being second class. The pay for attending the meetings was 10/ and 8/ per day, according to the distance between the director's home and the meeting-place. It was not a lavish sum, in view of the responsibilities attaching to the office, especially when it is remembered that, till Andrew Boa was elected chairman, there was only one Glasgow man on the board—Gabriel Thomson, the treasurer. Little as the remuneration was, there were some who thought that even that was too much ; and, before the end of 1875, it was proposed that the rates should be reduced to 8/ and 6/. The proposal,

UNIVERSITY OF SOUTHERN CALIFORNIA LIBRARY

however, was not adopted. The auditors, upon whom so much depended also, were rewarded at the rate of 35/ per quarter, although they had their fee raised to 50/ at the same meeting at which it was sought to reduce the fees of the directors. There is ample evidence that, despite these modest fees, the Society was well managed immediately following the lesson that had been taught; and, indeed, throughout the whole career of the Wholesale, its directors have given to its affairs not merely the attention for which they were paid—for, measured by the fees allowed for a good many years, their work should have been light—but they have bestowed upon it the attention due to a trust placed in their care. The honourable discharge of a duty voluntarily accepted—the guardianship of the property of their fellow-workers—and enthusiasm for the propagation of a system and a cause which earned their service, have been the motive powers that have led Co-operative directors to sacrifice the social pleasures that would have been open to them if their lives had been ordered by the standard of an eight hours day.

At 93 Paisley Road the business was being conducted vigorously. The representatives of the retail societies could always find a reliable stock of first-class groceries and provisions for sale. Bakers' grist flour was also supplied, and special efforts were being made to develop that trade. Arrangements had been entered into for the importation of the best Continental produce—butter, cheese, etc.—*via* Leith. The Society was still agent for several Co-operative manufacturing societies, notably those of Paisley, Eccles, Hebden Bridge, and Auchtermuchty, as well as the Glasgow Cooperage Society. Yarns, cottons, and general drapery goods were also being pushed by Mr Gardiner in the drapery department. The balance-sheets took all the sales together, and no distinction was made between the departments for a time; but, in 1875, the drapery was separated from the grocery department. The goods were all sold to societies, large and small, at the same terms: "One price only is charged to all societies, the smallest purchaser being charged at the same rate as the largest," was how an old advertisement of the period read. Only registered Co-operative societies were supplied with goods, the non-shareholders, as now, receiving half the rate of dividend paid to the shareholders.

The trade seemed to develop extensively as well as inten-

sively, and the number of shareholders was growing. It was believed that the Wholesale Society could do something to make it extend still further. The societies in the East of Scotland brought the subject into prominence several times, and they concluded that the wisest step that could be taken would be to establish a branch depot at Leith. The East of Scotland Co-operative Conference committee made extensive inquiries into the trade of the societies in that area, in order to ascertain what the prospects of a branch there would be. At a conference held at Portobello in 1875, Mr James Lochhead, who passed away only very recently, reported that replies to his inquiries indicated that fourteen societies in the East and North-East were purchasing from the Wholesale at the rate of £62,000 per annum; and these societies had promised that this could be increased to £75,000. The unanimous feeling expressed at the conference was that something should be done in order to relieve the societies in that district from the necessity of either paying heavy charges for carriage on goods sent from Glasgow or of dividing their purchases with local merchants. It was unanimously recommended that the societies interested should be represented at the following meeting of the Wholesale, in order, if possible, to get their views adopted.

A week later the matter was raised at a meeting of the Wholesale Society. Mr Poole, who submitted the formal motion, pointed to the advantages that a development of this kind would bring to the S.C.W.S. He pointed to the big increase in the Society's trade in Continental produce which arrived at Leith, and he argued that the opening of a depot there for the storage of such produce, and to which buyers from retail societies could go for supplies, would mean increased trade and increased membership. All the oratorical force of the East of Scotland was employed to support the proposal, but the mass of delegates concluded that the representatives of the East had not provided sufficient data. It was therefore agreed to appoint a small special committee to collect and furnish statistics, which might be submitted at the next quarter's meeting. Before that meeting the report of the special committee was circulated, but the East of Scotland Conference commented upon the character of the report most unfavourably. It was complained that "all that had been attempted by the committee was to submit three queries to the

societies interested," and the uncharitable view was expressed that these queries " were so framed as to be almost unintelligible." At the shareholders' meeting in January 1876 the delegates again took the view they had taken at the previous meeting. They had still too little data to go upon, only fifteen societies having responded from among sixty-five from whom inquiries were made. An interesting contribution to the discussion was made by Mr W. F. Stewart, then of Penicuik, who naturally supported the proposal to open a branch. His speech was characteristically vigorous, and his explanation of the dearth of replies was that " it did not necessarily prove a lack of interest in reference to the matter : it might possibly be that a good number of these documents had fallen into the hands of hostile managers, lazy secretaries, or simple-minded committees, some of whom might have lit their pipes with them, not knowing for what object they had been sent." From this quotation those who know him now will agree that Mr Stewart's frankness has not diminished with the passing years. All the oratory, however, did not convince the delegates at that meeting, and it was resolved to defer the whole proposal for twelve months. Eventually, the Leith branch was started in 1877, and Mr Stewart, whose oratory, as we have seen, had emphasised the demand for the branch, was appointed manager. The results of the trading of the branch were an ample vindication of the demands made by the East of Scotland societies. The first estimate made by the East of Scotland Conference was supplemented, it will be remembered, by a promise that the trade in the district would be increased from £62,000 to £75,000. When the accounts for the first year were closed, the recorded sales were £76,767, 11s. 1d. The branch had been established in premises in Constitution Street ; but less than a year's experience proved the premises to be hopelessly inadequate. In 1879 ground was purchased upon which permanent buildings were erected, and the Leith branch has proved to be one of the best propagandist agencies of Co-operation in the East of Scotland. The East of Scotland Conference Association kept the Leith Branch Committee in existence for some time after the branch was opened ; and at the quarterly conferences this Committee submitted a regular report of their efforts to develop the trade of the branch by inducing societies to trade there, and by inducing societies to

join the Wholesale. It was an excellent means of stimulating interest in the Wholesale; and, even yet, there is no Co-operative Conference Committee in Scotland which gives the Wholesale so much attention in its annual report as the East of Scotland Conference Committee does.

While the agitation which led to the establishment of this branch was being set afoot, other changes were in process. Andrew Boa, who had only been elected to the presidency of the society at the beginning of 1875, had to relinquish his post in September of the same year. His health failed, and he had to leave Scotland and take up his residence in Australia. Mr Boa was probably one of the most enthusiastic reformers of his time. Not only was he extremely keen in developing Co-operation—and we may say, incidentally, that he did his best to promote the success of the ill-fated Ironworks and other more fortunate ventures—but he was an ardent trade unionist, and one whose oratory was at the call of advanced working-class organisations in his time. Prior to his departure from Scotland he was entertained at dinner in Weir's Restaurant, Argyle Street, where he was presented with a dressing-case and a purse of sovereigns. The chief spokesman on that occasion was Mr M'Culloch, a well-known Kilmarnock Co-operator; addresses being also delivered by James Marshall (the manager), John Barrowman, James Murphy, and others. Mr Boa died in Australia. It may be added that a young associate of his in his earlier days was a lad who was also to make his name known in the Co-operative world—William Maxwell. Mr Boa was succeeded in the chair by Mr John Allan, who had been, in turn, secretary and cashier for the society. It was a year of important changes, for Mr Gabriel Thomson resigned the treasurership which he had held from the inauguration of the society, and was succeeded in office by Mr John Barrowman, of Rutherglen. Mr Barrowman's term of office as treasurer was of comparatively short duration, for in 1877 the office was abolished altogether, the members of the society having come to the conclusion that with a competent and responsible cashier there was no need to perpetuate the treasurership.

The Ayrshire Co-operators, stimulated by the success of the campaign that had been waged for the establishment of a branch of the S.C.W.S. at Leith, joined with the Co-operators

of Renfrewshire in a demand for the establishment of a centre at Kilmarnock or Ayr. Throughout 1877 the matter was discussed at frequent conferences. The case for the establishment of the Leith branch was based on the large trade that was being done in Continental produce; and the basis of the case put forward on behalf of the establishment of the Kilmarnock branch was almost similar. The two counties were noted for their agricultural produce, which was rich in quality and in quantity, and Ayrshire especially for its butter and cheese. Co-operative societies in the district, paradoxical as it may seem, were engaging in competition among themselves for the supplies available. Their representatives were purchasing from the same farmers in the same markets; and the S.C.W.S. was purchasing as well as they. The position was stupid, keeping in view the aim of the Co-operators who desired to embark as soon as practicable on schemes of production. Co-operative buyers were bidding against one another, and thus needlessly affecting the prices and depriving their members of the full economies that Co-operation ought to bring. Besides, the trade of the Wholesale Society in the produce of the Ayrshire agricultural areas was a mere trifle compared with what it should be. The sales of the S.C.W.S. in those goods were only £1,600 for a quarter; and Mr Inglis, of Paisley, told the Wholesale meeting that his own society could consume more than half that amount itself. Indeed, the small trade done by the Wholesale in a class of goods that should have been easily disposable focussed the attention of the whole Movement upon the position—the Co-operators of the district saw to that being done.

After frequent discussions it seemed apparent that the only way out would be to establish a collecting centre there so that a buyer, or buyers, representing the Wholesale could go to the farmers and arrange purchases at the best terms because of the collective orders they would be able to place. It meant a considerable item of expense; and some of those connected with the management of the Wholesale were not over-sanguine about the proposal because it represented a new departure. That latter truth was what commended the idea chiefly to the Ayrshire and Renfrewshire Co-operators; and when the question was brought forward eventually at the last quarterly meeting in 1877, they had taken such practical steps to "educate"

delegates from other districts that the proposal was carried. Twenty societies in the district gave an undertaking to make their entire purchases through the Wholesale in the event of this practicable step being taken. Mr Inglis submitted the formal motion—"That the Wholesale Society open a place of business in Kilmarnock or Ayr as the committee may think fit, and that they appoint a buyer to represent them there." One of the doughtiest champions of Co-operation in Scotland in later years, Mr Henry Murphy, of Lanark, entered the arena that day as a supporter of the demand. James Borrowman, no longer the manager but a delegate, and a frequent critic of the board's operations, also supported the proposal. There was an amendment to the effect that the proposal be referred back for further consideration; but Mr Inglis carried his proposal by 78 votes against 34. At the January meeting in 1878 the minutes of the board meetings contained various references to the new depot. Mr James Black, of Beith Society, had been appointed to act as buyer "of the Ayrshire and Renfrewshire produce for the society," and premises had been leased at a yearly rental of £40. Three months later, the chairman, Mr John Allan—who, by the way, had been opposed by Mr Henry Murphy at the January meeting, and had been re-elected by 138 votes against 48—was able to announce that the depot had been established in accordance with the instructions of the shareholders. He mentioned also that a curing department had been added to it, and that the directors expected to be soon able to smoke their own hams. The Wholesale staff for a time carried on operations to a very limited extent, caution having to be exercised in feeling their way amongst the farmers, and making themselves acquainted with the various markets. Mr James Black soon became a perfect adept in this direction, and the venture attained considerable success, the trade extending year by year until the buyers at Kilmarnock found it necessary to conduct their search for supplies further afield than Ayrshire, and explore the counties of Dumfries, Kirkcudbright, and Wigtown, purchasing cheese, butter, oats and oatmeal, potatoes, pigs, and cattle, in large quantities. Various extensions have taken place since, but the depot was an excellent centre from which to organise trade with the retail societies in the South-west of Scotland. So extensively was this trade developed that,

apart from the purchases made by these societies at the Central Warehouse, goods to the amount of close on £400,000 were sold from the Kilmarnock branch during 1918.

In the meantime, several minor troubles caused some little criticism and discussions at the Wholesale meetings and at the meetings of societies federated with the Wholesale. The Oak Mill Company, which has already been mentioned, had been experiencing the difficulties that usually arise from attempting schemes more ambitious than the capital available warrants. The company had been fairly well supported by the Co-operative societies, both by trade and by investments; but the continual shortage of capital made the company's struggle very arduous. Of course, it might have attempted less; but it attempted too much in the circumstances. The societies in the neighbourhood of Tillicoultry, where the company had its mill, were all interested in its progress, and efforts were made to secure financial help from the Wholesale Society. Mr Kyle, of Alva, pressed for a loan of £1,000 to be voted at one of the quarterly meetings; but the loss involved in the collapse of the Iron-works had not been fully made good at that time, and the lesson was too fresh in the minds of the delegates, so the loan was not granted. The company never paid any profit, and when it finally went down in 1880 the Wholesale lost a little in a bad trade debt and lost a little in investments, too, the total involved being less than £200. There were several other losses of a similar character. The Glasgow Cooperage Company, the Lurgan Damask Society, and the Hawick Hosiery Company were productive ventures which failed because they were not properly constituted, or were not sufficiently provided with capital, or because they were conducted by men who were perhaps not so gifted as the generality of Co-operators; but they all involved the Wholesale in slight losses. About the same period some bad debts were also written off the books of the Wholesale, owing to the failure of several retail societies; but their effects upon the Wholesale Society were almost negligible except that they led to increased vigilance on the part of the already alert officials. The year 1878 brought many of the working people of the West of Scotland something more serious than these trifling bad debts to think of. The City of Glasgow Bank collapsed with a loss of over six millions sterling,

and the crash brought down many business establishments besides the bank itself. Scarcely a day passed for some time that did not bring failures caused through the bank disaster, and very serious distress was caused. Relief funds were opened everywhere; but in a loss that was probably the greatest recorded till then in Scotland, the subscriptions were only like a drop in a bucket. It is evident from the records of the Wholesale that some of the retail Co-operative societies were affected by the disaster as they were affected by every industrial or financial disturbance. The effect on the retail societies was reflected in the trade of the S.C.W.S., for the total trade for 1878, while it reached the creditable figure of £600,590, represented an increase of only 1·9 per cent. on the trade of 1877.

Towards the end of 1878 John Allan indicated that he did not intend to seek re-election to the chair. His health had left a good deal to be desired, and it has to be remembered that he had lived through some very strenuous times in the Wholesale, all things considered. For the prospective vacancy there was a plethora of candidates, among them being Mr John Barrowman, who had formerly been treasurer, and, once more, Mr Henry Murphy. The choice of the delegates at the election meeting fell upon Mr Barrowman, who during his short tenure of the office proved himself an adept at handling the business. He was an excellent choice. Few men have passed over the S.C.W.S. stage who have given a better account of themselves or have played their parts to greater satisfaction than John Barrowman. He made his entry upon official life when the days were darkest and the Ironworks trouble was disturbing the minds of the people. Mr Thomson was then giving up the treasurership, and it seemed essential that his successor should be a man who would commend himself to the working people of Scotland. John Barrowman was well known in trade union circles as well as in Co-operative circles. He filled a big place in the municipal life of Rutherglen, and he was one of the first working men to be elected to the Town Council of the old burgh. Two earnest men, after consultation with some of their colleagues who recognised the fateful choice that the Wholesale had to make, went to Rutherglen on a Sunday evening to beg John to consent to be nominated for the treasurership. It was not an easy matter to convince him, because the post was no

sinecure then; but the two missionaries of progress—John Allan and John M'Innes—eventually won him over, and he agreed to his nomination. The shareholders agreed to have him. It was a happy choice, and John held office till it was abolished as already mentioned. His election to the chair was an equally happy choice. Considerable developments were taking place. The joint buying arrangements entered into between the Scottish Wholesale Society and the sister federation in the South had been extending. It had been arranged that the S.C.W.S. should buy sugar for the two Wholesales. An establishment had been opened at Cork for the purchase of butter for the two federations; and there the buyers found themselves up against difficulties because they had to take goods they did not want in order to get goods they did want, and it was not always easy for the Co-operative federation to dispose of the goods unsuitable for its own customers. The co-operation between the two Wholesale Societies was a considerable advantage to both, because the English Society had the advantage of the best Scottish markets through the S.C.W.S. buyers at Glasgow, Leith, Kilmarnock, and Greenock, who got the best prompt cash terms; and the S.C.W.S. had the advantage of the services of the English Society's buyers—seven in Ireland, two in New York, three in Manchester, one in London, and one in Liverpool.

The drapery department was flourishing as well as was expected. In 1877 it published a price list for the first time, and it is rather interesting to observe that sufficient advertising was secured for its pages to cover the cost of printing. While the people then had scarcely recovered from the effects of the Franco-Prussian War—which had sent the 4-lb. loaf up to 9d. and oatmeal to 3s. per stone—the people of 1877 were more fortunate than those who have had to pay the price for the great war which marks the close of the Wholesale Society's first half-century, for this first drapery price list shows that spindles of Alloa yarn sold in the present war-time for 82/ were sold in 1877 for 34/. The department was developing in other directions: for as in the case of sugar and of other goods sold in the grocery and provision departments, so in the drapery departments there were arrangements made thus early for Co-operation between the two Wholesale Societies, arrangements

that have extended widely since. Another departure which had some considerable influence upon the stability of the Wholesale Society was the inauguration of an insurance fund in 1879. This was to cover marine risks on goods carried for the Wholesale. Other insurance funds have been inaugurated since to excellent purpose. The departments concerned are charged the current rates, and these sums are credited to the funds, by which means the Wholesale has accumulated since 1879 insurance funds amounting to over £400,000.

There were some interesting personalities among the delegates at the Wholesale meetings at the period of which we are now writing. Henry Murphy did not stand alone. John Stevenson, of Kilmarnock, vigorous till his last weeks in the Wholesale board, was at that time a Titan in debate. John M'Nair and William Barclay, of Kinning Park ; John Slater, of the Scottish Section of the Co-operative Union : those who knew them in later years will be able to appreciate the merits of discussions among these men on a proposal to set aside £200 a year for the payment of a Co-operative lecturer and his expenses with the object of spreading Co-operation pure and simple, and with the object of stimulating interest in the S.C.W.S. among societies that had not till then been thoroughly aroused as to the place that such a federation must take in developing Co-operative progress. There was need of propaganda in many districts. The North of Scotland was, according to the view of one who had afterwards to judge by hard experience, " a Co-operative desert." Some of the earliest societies in Scotland had their roots in the North, and some of those then in existence had done excellent work to spread the Co-operative idea ; nevertheless, their isolation from the other societies, partly because of the wide area over which they were scattered, partly because while expecting the members to show a Co-operative spirit the societies themselves were lacking in a true conception of the value of associative effort, made progress in the North very slow. No one knew the difficulty of moving these societies better than John Barrowman, the president of the Wholesale. Two decisions arrived at effected a change for the better. The Wholesale decided to open a branch at Dundee, which would give the Co-operators of the North opportunities that were already enjoyed by the Co-operators of the West

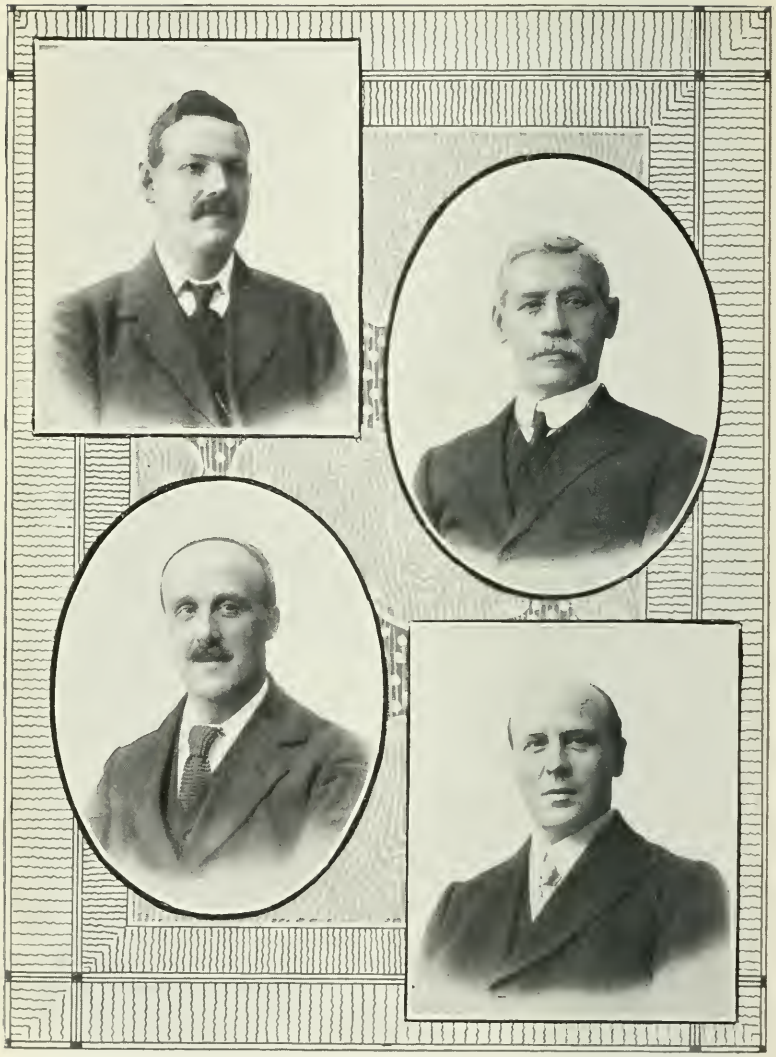
and of the East; and it was thought that the economic advantages this would give the Northern societies would react upon the members and lead to the increase of the ranks of Co-operators in that untapped district. It was also decided to appoint the propagandist, whose duty it would be to address meetings of potential members where it was possible to form societies, to interview the committees of societies with a view to arousing their interest in the Wholesale, and to do what he possibly could to galvanise the North into full Co-operative life. John Barrowman had lived at the hub of Co-operative activity, where the Co-operative atmosphere was strong and bracing; but he saw the world of the North to be won for Co-operation and he resigned the presidency of the Society to apply for the post of propagandist. The directors appointed him in 1881. In July of that year the Dundee branch was opened in Trades Lane, and Mr Barrowman set out to bring in those for whom the economic banquet had been prepared. He found the invited guests as unresponsive as those called to another banquet, and he went out into the highways and byways of the North to bring them in. In March 1883 he was appointed manager of the branch at Dundee on a temporary charter which gave him a three months' trial. At the end of that period he was confirmed in the post, which he retained till 1912. How he succeeded may be judged from the fact that he lived to see the annual trade of the branch rise from £34,679 to £202,820. We cannot praise Mr Barrowman's work too highly. Frequently he told in later years of the difficulties he encountered. Societies that had but the crudest ideas of what Co-operation stood for were chilly in their reception of the emissary of the Wholesale. He cycled into remote regions where there were no trains and when motor cars were not heard of. He called upon committees and managers who were quite content to go on in their own way regardless of the fact that they were playing at Co-operation in their local stores, while they were retarding its progress in their own districts as well as elsewhere by stemming the progress of Co-operation in the field of wholesale trading and of production that was to follow. The early years he spent in Dundee and the North were to John Barrowman years of exile, and we might almost say martyrdom.

The general progress of the Society continued so satisfactory

JUBILEE YEAR GROUP OF DIRECTORS

Back Row (left to right)—T. B. Stirling, Wm. Gallacher, J. Bardner, T. Little, A. B. Weir, H. Campbell, W. Archbold.
Front Row (left to right)—George Thomson, W. R. Allan, Robt. Stewart (*President*), J. Pearson (*Secretary*), J. Young.

S.C.W.S. FINANCE COMMITTEE—1918



(1) Thos. B. Stirling. (2) John Pearson, J.P.
(3) Wm. Archbold, J.P. (4) Alexr. B. Weir.

that congestion began to show itself in various directions. Co-operators were discussing many schemes for the extension of trading and for the multiplication of their enterprises. The membership of the Society began to rise more rapidly; the years 1879 and 1880 saw a big augmentation of the capital deposited with the Society as well as of the shares taken out by societies. The amount added to the capital in those two years exceeded £17,000; but in 1881 alone more than £25,000 was added. The trade, too, was developing very satisfactorily, and was rapidly approaching a million per annum. Little wonder that there were expansions showing themselves in many directions, for the familiar circle was being traversed: People had joined together in a sort of forlorn hope to help themselves by Co-operation; their Co-operative methods were proving economical; others saw this and joined up in the movement; their added purchasing power increased the economic value of the stores and attracted others, and so the circle of Co-operators grew. The Wholesale purchased ground for extensions of their business premises, and in 1880 secured the first instalment of the Clarence Street ground in Glasgow. The Paisley Road premises had to be extended in July of the same year, the new instalment being still distinguishable as the middle portion of the island block known as the "gusset." In May 1881 ground was secured for a proper warehouse building in Kilmarnock, which has since then been extended several times.

Another important event occurred with a reference to which we may suitably close this chapter. A successor had to be found for John Barrowman in the presidency of the Society. Mr Barrowman's resignation took effect between two quarterly meetings of the shareholders, and it devolved upon the directors to elect an interim chairman. Their choice fell upon the representative of St Cuthbert's Association on the board whose name was William Maxwell.

VIII.

PRODUCTIVE ENTERPRISES FOLLOW SUCCESS IN DISTRIBUTION.

PREPARING THE FIELD FOR PRODUCTIVE EFFORTS—THE WHOLESALE'S FIRST EXPERIMENTS—HOW THE SHIRT FACTORY CAME INTO EXISTENCE—MR JAMES LEGGAT'S INSPIRATION—REVOLUTIONISING A SWEATED TRADE—ORGANISING CAPITAL—GLASGOW FACTORIES ESTABLISHED—A MISSION TO THE UNITED STATES—S.C.W.S. PLANTS ITS FLAG IN IRELAND—MILLINERY SHOWS INAUGURATED—A BIG VENTURE PLANNED—THE SHIELDHALL SCHEME—"WHY WE SHOULD BE IN PARLIAMENT"—SUCCESS OF IMPORTANT FACTORIES—"QUEEN VICTORIA'S TRIBUTE TO CO-OPERATION."

THE progress recorded in preceding chapters showed that the Wholesale Society had very largely overcome the initial difficulties of distribution. "Repeatedly the question was being discussed in Co-operative circles: 'When are we going to begin Co-operative production?'" It was assumed by the Wholesale from the beginning that its chief success as an ameliorative agency would depend upon its being able to bring the production of necessary articles under Co-operative control. Robert Owen and Holyoake, and many others less well known, had spoken rather contemptuously of a conception of Co-operation which could not see beyond shopkeeping. Several ventures that were made by manufacturing societies might have been calculated to deter that generation of Co-operators from venturing their money in productive enterprises. There were, however, good reasons—or, perhaps we had better say bad reasons—why those earlier productive ventures failed. We have already seen what some of those reasons were. If we reckon from the year 1878 it will be safe to say that, in one sense, the Wholesale directors had already made some attempt to get one stage nearer the source of supply than an ordinary wholesale house. At several meetings in that year the directors were questioned with reference to experiments they were making in the textile trade. It could

scarcely be called a venture in Co-operative production, although it was an approach to that. They had been purchasing warp and weft, and giving the material out for manufacture. Apparently, some little saving was effected by this method, and the Wholesale drapery department was by this means getting cloth of a character that it actually required. At one of the first meetings at which the question was raised, Mr Alexander Hutchison, of Paisley, with characteristic municipal patriotism and Co-operative sympathy, wanted to know why this work was not given to the Paisley Co-operative Manufacturing Society (the only one of the early productive societies that had survived), and he pointed out that there was competition between the Manufacturing Society and the Wholesale. Readers who are accustomed to attending meetings of these two federations will, no doubt, recollect occasions, not so remote as 1878, when similar questions were raised. At that time, however, the S.C.W.S. had a fairly good answer to give, for the chairman, Mr Allan, pointed out that, if the advice of Mr Hutchison were taken, the Manufacturing Society would simply do what the Wholesale itself was doing—viz., send the material to job-weavers to do at their own looms. While the Manufacturing Society has now an extensive factory at Colinslee, to begin with the manufacturing was done in the method just described, and the members of the society brought their webs to the house of the secretary, which served as a committee-room and a warehouse. In 1878 the society had a warehouse in Causeyside Street.

The Co-operative Congress of 1876 had been held at Glasgow, and the attitude of Co-operation to Labour and of Labour to Co-operation was discussed at the Congress, in a paper by Professor Hodgson, of the University of Edinburgh. That had turned the attention of Co-operators to the subject of Co-operative employment, and productive enterprises seemed to be the chief outlet for developments which would increase the number of people Co-operatively employed. Besides, that was the first Co-operative Congress that had been held in Scotland, and it naturally aroused a good deal of enthusiasm among Co-operators, and stimulated interest in the subject among many who were not then Co-operators. Even the *Glasgow Herald* published a leading article, which was rather favourable to Co-operative aspirations. It is worthy of note that the *Herald* declared at the

time that "The enthusiasm of the supporters of the system of Co-operation is so great that it appears sufficient in itself to carry the cause onwards to success and universal acceptance. *But the qualities which will ensure such success are rather patience, self-control, and experience, than enthusiasm and even energy.*" The success of the movement in Scotland from that time must have been inevitable, for those who were at the helm of the Co-operative ship had all these virtues combined—the self-control and the patience, as well as the enthusiasm. The patience was never lacking, but the enthusiasm received another fillip in Scotland because of the very obvious effects of the work of the Wholesale Society. We have already seen that, in 1867, there were in Scotland 134 Co-operative societies, with a combined membership of 26,254, and with sales amounting to a little over £800,000 per annum. When the first quarterly report was issued by the S.C.W.S. directors, there were only 28 societies that had become members. Ten years later the official statistics showed that there were no fewer than 314 societies in existence in Scotland, with 86,382 members on their rolls, and doing a trade of £2,831,932 in one year. Of these societies, 133 had become members of the S.C.W.S. Now, that marked a great stride forward. Co-operation was being more *widely* discussed, and it was being more *seriously* discussed. Co-operators have always contended that people remain outside the movement either because they are interested traders or because they have never thought the subject out; and Co-operative societies, therefore, have always deemed it part of their duty to set aside definite sums for propaganda purposes. The interest taken in the movement by the public, the frequent discussion of the principles of the movement, and the endeavours of the enthusiasts, must have contributed to this great increase in the strength of the movement in those ten years; but the working-people were accustomed to view the whole case from a purely materialist point of view till they became Co-operators. The materialist arguments in favour of Co-operation were so strengthened by the great economic advantages that the societies were able to give their members because the Wholesale Society conserved for them the wholesale profits, that a very considerable part of that tremendous increase must be put to the credit of the Wholesale Society. In that sense, the Wholesale Society had already, in

less than ten years, more than justified its existence, and rewarded the pioneers for their own self-sacrifice during the years of preliminary effort and the first years of the Wholesale's experiments.

There were other discussions with regard to production. A flour mill was wanted, and Mr Borrowman's suggestion at some of the preliminary meetings with regard to sugar refinery had not been lost sight of. The stimulus given to the desire for productive ventures was like seed falling upon good ground.

The directors were beginning to contemplate actual ventures in whatever direction would seem most safe. Some were eager to do *something*, no matter what, in the productive field; others, however, displayed their enthusiasm for the welfare of the Society by applying the brake to their more eager colleagues. Without doubt the increase in capital, referred to at the close of the preceding chapter, was chiefly due to a desire to provide money to enable the beginning to be made. The beginning came in a very simple form. In the early part of the Jubilee year the writer had the privilege of being present at a somewhat unique gathering of employees of the S.C.W.S. The gathering was held to do honour to a venerable buyer in the drapery department, who had that day celebrated his ninetieth birthday. He was an authority on Co-operative production. He had been chairman of the Paisley Manufacturing Society in 1865, and had also been manager of the Society for some time. He entered the service of the S.C.W.S. in 1874, when the staff of the department comprised Mr David Gardiner, Mr George Davidson, and two young women. The old veteran * was Mr James Leggat, who was hale and hearty despite the snows of ninety winters on his head. Mr Gardiner, the head of the drapery business of the Wholesale, and Mr Robert Macintosh, the Society's accountant, testified on that evening to the credit that was due to Mr Leggat as the originator of S.C.W.S. productions. The story, as told at this gathering, and confirmed by the manager of the department, was briefly this:

The drapery department of the Society had been inconvenienced and disappointed frequently by people who used to make shirts to its orders. It is almost incredible that Mr David Gardiner was ruffled, yet we have had it on the authority of

* The worthy old man has since passed away.

Mr Macintosh that the trouble over the shirts in those days actually produced a result so surprising. To his two assistants he frequently confided his troubles. Mr James Leggat, on one historic day when the shirt trouble was at its height, asked Mr Gardiner: "Could we not make these shirts ourselves?" The manager replied: "Yes, I think we will have to do that." It was thus that the Wholesale Society became manufacturers of shirts in January 1881.* It was not an easy task to obtain the unanimous consent of the directors immediately; but Mr Maxwell was a vigorous advocate of Co-operative production. He had been won into the Co-operative movement by enthusiasm for the new world of hope which Co-operative prospects held out to the working people. He had been an ardent trade unionist, full of democratic sentiments. In 1873 he moved from Glasgow to Edinburgh after a rather romantic career, and it was in the Scottish capital that he first began to take a part in Co-operation. He joined St Cuthbert's in 1874. In 1876 he was secretary of what is now the largest Co-operative society in Scotland, and the society with the largest distributive trade in Great Britain, apart from the Wholesale Societies. He had also been secretary of the East of Scotland Conference Association, an appointment which brought him into prominence as a propagandist and orator who had frequent occasions of expounding Co-operative principles and advocating Co-operative ideals. St Cuthbert's Association had appointed him to be its representative on the Wholesale directorate, as we have already seen. Although a director of the Society, he had been enterprising enough to set up in business at his own trade on his own account—needless to say his trade was not one that competed with any enterprise that had then come under Co-operative control. It was not without some pressure that Mr Maxwell jeopardised prospects on which he counted so much. At first he refused to be considered a candidate for the chairmanship; but friends in the Wholesale board did not regard his refusal as final. On a journey to Manchester he was

* The venture already referred to—viz., the making up of warp and weft for the job weavers—was also due to Mr Leggat's inspiration. "If anyone may lay claim exclusively to being the pioneer in Co-operative production on the part of the Wholesale, it belongs to Mr Leggat."—*Mr Gardiner at the birthday celebration.*

pressed by fellow-delegates to allow himself to be nominated, and before the end of his journey he had consented. Having given his undertaking, Mr Maxwell had resolved that whatever driving power he could provide would be used to propel the movement into the fullest conception of Co-operative duty, and to attempt to bring about such conditions as would enable the Wholesale Society to say that nothing that could be done by Co-operators themselves was being done for them by other people. It is quite easy to imagine that when the opportunity arose, Mr Maxwell should have given all his encouragement to the establishment of a productive department, although this proposition came shortly before he occupied the chair. The principal doubt that was raised with regard to the wisdom of the proposed departure was due to the fact that the shirtmaking industry was then, as it had been for a generation, one of the notoriously sweated industries. Nearly forty years before that the industry had gained the notoriety and the exposure which Hood had given it in the *Song of the Shirt*, which was published in *Punch*—ironically enough in a Christmas number. The starting of shirtmaking threw a new responsibility upon the Co-operative movement.

The immediate problem before the Wholesale Society was to manufacture shirts and sell them to the Co-operative societies in competition with shirts that these societies could buy from other manufacturers who were not scrupulous as to the wages and conditions to which they subjected their workers. The ultimate appeal, of course, was to the purchaser of the shirt ; and the man or woman who purchased articles in those days was not, as a rule, very much concerned about the conditions under which these shirts were produced. Purchasers who had low wages themselves were chiefly concerned about saving a copper or two, or even a halfpenny, on the cost of any article upon which a saving could be effected. This was the test to which the S.C.W.S. had to submit, and it came through the test well. The wages in the shirt factory were a considerable improvement upon those paid outside, and the hours of work were fixed at forty-four per week. Readers will remember that we are writing of 1881, not 1918, and that there were then no Trade Union Congress demands and there was no threatened general strike in industrial circles to support a demand for a

forty-four hours week. Pressed by such demands and such threats the Government to-day is contemplating the establishment of a forty-four hours week—thirty-seven years after the Scottish Wholesale Society established it in an industry in which sixteen or eighteen hours per day were being worked for a miserable wage, or as Hood put it, an industry in which women had to

> "Work—work—work,
> While the cock is crowing aloof;
> And work—work—work,
> Till the stars shine through the roof."

The hopes of the pioneers of production were justified. The first week's wages paid in connection with the shirtmaking amounted to £6, 17s. 6d., and the value of the turnover for the first nineteen weeks was under £200. It is an extraordinary contrast that is shown between these figures and the figures registered for the department up to date, for the value of shirts produced in the woollen shirt factory now amounts to over £13,000 per year. So successful did the shirt factory prove that in the same year a ready-made clothing factory was established, which, like the shirt factory, sought to combine utilitarianism and idealism. The venture proved quite as successful as the shirt factory, and from the small beginnings of nearly forty years ago there has grown up a productive trade in this department amounting to over £37,000 per annum. The ready-made clothing trade, like shirtmaking, was a sweated industry, but it may be safely said that, at any time in its history, the workers in that factory were engaged under conditions which were not excelled in any privately-owned factory.

Developments in the distributive trades were also provoking discussions as to production. In 1882 the Society purchased a piece of ground which made the Co-operators the sole proprietors of the Paisley Road "gusset." The grocery department, of course, was forging ahead, but the developments in the drapery trade necessitated a great devolution of responsibility there. The drapery department, it will be remembered, had been a comprehensive business which comprised all now comprised in the drapery, boots, and furnishing departments. Even jewellery would have been included; but, as the late Mr Peter Glasse once told a social gathering, the

jewellery department required a safe, and as there was no safe in the drapery department, Mr Macintosh, who in a sense might be described as "the keeper of the keys," had to take charge of the jewellery. This responsibility weighed upon him from 1879 to 1884. It may be of interest to mention that in 1883 alone he sold 188 watches (chiefly Genevas and English levers), besides a number of gold alberts and wedding rings. A certain amount of luck was supposed to attach to wedding rings bought at the Wholesale; and we hope that the expectations of the purchasers in every case were realised. The original scales on which Mr Macintosh used to test the weight of gold are still in the Society's possession. In 1882 it was deemed advisable to keep a separate record of the sales of boots and shoes, and of the sales of articles of furniture and the other varied articles which are more accurately described as furnishings than as drapery. Classification of this kind enabled people to see at a glance what prospects there were for productive developments, and the results were highly satisfactory. One development in the production of furniture was in 1882 when the upholstery department was started. It was a modest beginning of what has become a very serviceable department of the Wholesale. The result of the separation of the accounts of the various branches of the drapery department, as it had existed till 1882, was that in 1884 the furniture department and the boot department were found to hold out such promise that they were entirely separated from the drapery business and placed under distinct control. This development, so far as the furniture department was concerned, coincided with the inauguration of a cabinet-making factory. This factory was begun in rather a small way at a time when Co-operators, as a general rule, had not very lavish tastes in furniture. Mr William Miller, who took charge of the factory, was not only a tradesman who had excelled in work which he was appointed to do, but was a man of extreme artistic taste. To that, very largely, are due the developments that have taken place in the cabinet factory which, since its opening, has manufactured goods to the value of over one million pounds. For nearly six years there had been discussions at Wholesale meetings about the propriety of establishing a boot factory. There were many difficulties in the way, and it was not until 1883 that the directors were at

length given permission to proceed. Ground had been secured in St James Street (now known as Wallace Street), and here the boot department was set up. The boot factory was opened on New Year's Day, 1885, when the delegates attending the Wholesale meeting took part in what was a most interesting ceremony. The factory and the boot warehouse were combined under the management of Mr A. L. Scott, who remained with the Society for a good many years. The sales from the boot warehouse at this time amounted to £70,000 per year, and the value of the boots produced at the factory during its first year in operation amounted to £47,620.

One point that ought to be mentioned is that up to now the Society was not quite as free to venture into production on an extensive scale as the directors wished it to be. The erections of buildings, the purchase of ground upon which to erect them, the installation of the expensive machinery and plant required to run a modern factory anticipating a large output, involved the expenditure of very considerable sums of money. By 1882 the Society had already spent upwards of £14,000 on land alone. The Wholesale Society had at least shown wisdom from its earliest years, inasmuch that it bought ground wherever it could in preference to leasing ground. There was economy in this. The Wholesale Society itself was destined in later years to realise that fact ; but the directors had already realised it to a considerable extent, as had also some others deeply interested in the movements of its affairs, for at the Glasgow Congress, to which we have referred, it was pointed out that some societies were paying 1/8 per yard for ground purchased outright, while others were paying 1/6 per yard every year for ground rented. The capital invested in the Wholesale Society at the end of 1881 amounted to £136,000, of which only about £25,000 represented share capital and the rest loan capital. According to the official records of the Wholesale Society the value of land and buildings and fixed stock represented about fifty per cent. more than the total of share capital invested. The directors, in view of this state of affairs, recommended the shareholders to agree that the value of the shares should be increased from 10/ each to 15/ each, so that the amount of fixed capital would be considerably larger. The formal proposition was put to the shareholders at a meeting in June 1882,

but it was not carried then as it did not obtain the requisite two-thirds majority. Repeatedly the directors impressed upon the shareholders the need for taking some such step, but it was not until 1886 that they had their way and the value of the shares was increased. Of course, for several years prior to that, the capital had been rolling in very creditably, the number of shares having increased from the end of 1880 when it was 41,584 to 1885 when it was 70,066. In those years the inclusive amount of capital at the disposal of the Society had increased from £110,179 to £288,945. These increases, reinforced by the increase in the value of the shares, gave the directors and the shareholders alike confidence to proceed more rapidly than they might have otherwise felt themselves justified in going.

There were other considerations which urged them on with greater confidence. Mr Maxwell had the gratification of being able to announce at the meeting on New Year's Day, 1883—fifteen months after he made his first appearance at a quarterly meeting as chairman of the Society—that the Society's sales had exceeded the total of one million per annum. It represented an increase of £113,942 over the sales for 1881; and he seems to have been perfectly justified in his observation that day: "I think there is a pleasant prospect for all connected with this gigantic business." Naturally, the delegates felt considerably elated over the fact that the sales represented such an imposing total. Mr Maxwell had been fortunate, too, in having had, during his first year and a half of office, several interesting functions to perform. It is true that he had had one or two trifling losses to record again through the failure of retail societies. The most serious of these—the failure of the Dundee West Society—Mr Maxwell bluntly attributed to the imbecility of the management committee who had allowed themselves to become "mere tools in the hands of a manager who ruled supreme." Apart from these, however, he had been encouraged by the success of those productive factories which had already been established; he had had to perform the opening ceremony at the new Kilmarnock premises, which was an interesting function from which he and his co-directors no less than the Ayrshire Co-operators derived considerable inspiration. He might well say in one of those earliest speeches

of his: "The experimental days of Wholesale Co-operation are gone, and we are now looked upon as dangerous by many interested parties." He had witnessed the descent of the two Wholesale Societies upon the London tea market, upon which they were to play an important part, which is referred to in a subsequent chapter.* It was a glowing tribute to the important position that the Wholesale Society had attained in Co-operative circles, and to the repute in which its leaders were held, that Mr Maxwell was called upon to preside on the second day of the Co-operative Congress held in Edinburgh in 1883. The Congress was presided over on the first day by the Right Hon. W. E. Baxter, M.P. for Montrose Burghs, who delivered the inaugural address, which took a very high tone. Another graceful tribute to the energy and devotion of the Co-operators of Scotland was that Mr John Allan, the first secretary of the Wholesale, was asked to preside on the third day of the Congress. He was not then connected with the Wholesale in any official capacity, but he was a member of the Scottish Sectional Board of the Co-operative Union, and between that body and the Wholesale board there were the most cordial relations, because each recognised that both were working along different lines—the one through education and propaganda and the other through trade and industry—for the promotion of the welfare of the Co-operative movement in Scotland. Mr Maxwell had also seen, during the short time he had been in the chair, a beginning of overseas developments. The English Wholesale Society had established depots abroad in which the S.C.W.S. joined. One of the first of these was at Copenhagen in 1881, Danish butter having become an article of food for which there was a large demand; but that is only one of four Danish centres at which the two Wholesale Societies are now represented by joint resident buyers. In 1884 the Society was represented in a joint business mission to the United States, and Mr Maxwell represented the board. The object of the deputation in making the journey was simply to carry out the Co-operative intention of bringing the consumers whom they represented into the closest relations with the actual producer, or to obviate, as far as possible, the necessity for dealing with middlemen. The result of the visit was regarded as satisfactory. The deputation

* See Chapter XI.

succeeded in arranging such terms with American millers as, according to Mr Maxwell's report, " would enable the Wholesale to supply all the societies in the federation with all classes of flour." That was called getting closer to the producer in those days ; and, although the Wholesale has gone far in advance of that since then, it was a big stride forward in 1884. That, however, was the first of many business missions embarked upon by the S.C.W.S. directors ; but that is anticipating another chapter. Mr Maxwell was, to some extent, the pioneer of the Wholesale's productive enterprise in Ireland. The trade at the Danish depots was growing, but there was also growing up a larger demand for Irish produce. Mr Maxwell was dispatched to Ireland to accompany the manager, Mr Marshall, on a tour of exploration in the agricultural centres. Enniskillen was chosen as a convenient centre for the collection of produce, and a depot was inaugurated in Brooke Street. Four years later the Society had purchased ground for the erection of more suitable premises, in which a variety of undertakings might be carried on, and the Enniskillen branches of the Wholesale's work have prospered ever since.

The Society, in 1885, took a very wise step. Its properties were growing so rapidly that repairs and alterations kept a good many tradesmen busy at times. The Society inaugurated a building department of its own, under the direction of Mr James Davidson, so that it would not only be able to carry on productive enterprises, but erect factories in which to carry them on. The department now employs about 230 workers, and it undertakes the erection of buildings and the structural alterations required by other societies, as will be found described in another chapter. The first of the Society's hosiery factories was established in Morrison Street in 1886 ; and, from that year, the directors found it possible to look forward to greater productive ventures than before. The reason for this greater confidence was that, after three years of persistent pressure upon the delegates at the Society's meetings, the directors succeeded in securing the alteration of the rules which raised the value of the shares from 10/ to 15/ each. Year after year the matter had been broached by the directors as already mentioned, and at length came the special meeting in March 1886 when the change was agreed to. It has already been pointed out

that the original proposal of the promoters of the Wholesale was that the shares should be £10 each. That was thought to be inadequate, and it was agreed that they should be raised to £25 before the Society actually started business. The £25 was payable for every hundred members in the Society joining the Wholesale, so that the shares represented 5/ per member; and the shares were withdrawable. In 1871 the value of the shares was raised to 10/ per member of each federated society and made transferable. Mr Maxwell, putting the case for the increase at the special meeting in 1886, pointed out that when the shares were raised to 10/ the trade of the S.C.W.S. was £35,000 per quarter; but in 1886 it had increased to £350,000 per quarter. He mentioned, also, that in 1871 the share capital represented 22 per cent. of the total working capital at the disposal of the Society, the increase to 10/ had made the share capital 41 per cent. of the total; whereas, in 1886, with ten times the trade, and a number of productive works going, the share capital represented only 17½ per cent. of the total. The whole of that big business of £350,000 per quarter was being run on a share capital of £35,000. It was too little. The total then, including the reserves, amounted to £330,000; but the bulk of that might be called upon at very short notice; and it had happened that one society, owing to internal differences, had actually called up its whole investments except its shares. The members recognised the position at last, and agreed. The change did not make any immediate increase in the amount of capital in the hands of the directors, but it changed the relationship between share and loan capital sufficiently to strengthen their hands and their courage. It should be added, however, that their courage, even as things were could scarcely be thought lacking. For several years they had been forging ahead. The schemes that had been outlined from quarter to quarter in the president's speeches and in the board minutes might well have urged the delegates to advise caution and tempt them to apply the brake. The directors, however, were resolute upon productive developments. The Scottish banks came to an agreement to allow interest upon the monthly balance lying at the credit of the Wholesale instead of upon the daily balance. The distributive societies were depositing their money with the S.C.W.S., as the S.C.W.S. desired they should, but to pay interest upon that and get in

return only the ordinary bank interest was not altogether a profitable transaction. In order to make their financial position right, apart altogether from their desire to carry out the intentions of the co-operative movement, the directors wished to push ahead. They had already been reorganising many of the distributive departments. The drapery and furnishing businesses were being hampered for want of elbow-room. Some of the workrooms, and some of the departments connected with the drapery, occupied rented premises in a property in Morrison Street, which is part of the block between Dundas Street and Clarence Street intended for the new grocery departments which are partly in process of erection now. It was desired to place all the drapery and furnishing departments in the new building being erected in St James Street and Dundas Street in 1885, and leave the grocery departments and the offices together in the old building at Paisley Road. These rearrangements and other evidences of serious attempts to consolidate and co-ordinate the various departments of the Society were chiefly directed towards a big forward move. Part of these developments was the inclusion of a hall in the new building which was being erected in 1886 in Clarence Street. The cost of including this in the plans when the building was being erected in any case was about £1,000; and the directors had agreed to obtain power to have that included because they had calculated that it cost the Wholesale about £30 per year for rent for the halls for meetings of shareholders and for other occasions. The cost of the new hall worked out, or was estimated to work out, at about £50 per annum; and it was anticipated that what the Society itself would save in rents, together with what it might receive from other societies for the use of the hall when required, would make the hall pay its own way. In addition to that, there was the feeling that the possession of the hall would give the Society something calculated to stimulate the social spirit. One other departure of this period that ought to be mentioned in view of great developments that followed later, was the inauguration of the millinery department of the drapery warehouse. This took place in the latter half of 1885, and in September of that year the first S.C.W.S. millinery show was held so that the buyers from the retail societies might have a complete display of the Wholesale's novelties presented to

them in the most convenient form. It was held in Glasgow, of course; but the societies in the East of Scotland were not overlooked. They were, we believe, invited to send their representatives to Glasgow; but as many of them could not very well do so, the directors and the manager of the drapery department arranged for a special two-days' show in the Waverley Hotel, Edinburgh, a week later. Those annual shows have multiplied into three annual shows of millinery and mantles, one in the early spring, one in the early summer, and one in the autumn; and they never fail to attract large attendances of the heads of the departments of the retail societies that handle the goods shown.

All this, however, did nothing more than popularise the goods of the Wholesale; and as the sales grew, the directors were more and more compelled to face the question of extending the productive departments of the Society. Permission had been given for the erection of several factories, and the directors had been on the lookout for a suitable site on which all the factories might be placed close together. One site had been inspected at Hillington, and the directors had been in negotiation regarding it; but there were difficulties about drainage that made it undesirable to make the purchase there at that time, and the matter was dropped. In 1887, however, the directors secured twelve acres of ground at Shieldhall upon which to erect their great hive of industry. The original conception of the place was that it was to be a miniature garden suburb with the works in the centre and houses for the workers close at hand. This conception was Mr Maxwell's. It was an inspiration that had come to him on his way home from America in 1884. He had seen the "big way" America had of doing things, and he felt that the co-operators of Scotland might do for their own economy what others did for dollars. He has frequently told us of the headshakings that he saw, and of the warnings he had even from some of his colleagues. He cut the first sod there on 23rd July 1887, when he delivered an address that teemed with satisfaction at what had been accomplished by the Society up till then, and teemed also with confidence of the success of the future, especially of the future of that great undertaking. The Shieldhall of to-day is described in a later page of this record,* but the president's

* See Descriptive Section.

S.C.W.S. GROCERY COMMITTEE—1918

(1) Hugh Campbell. (2) Wm. R. Allan.
(3) William Gallacher. (4) George Thomson.

S.C.W.S. DRAPERY COMMITTEE—1918

(1) Robert Stewart, J.P. (2) Thomas Little.
(3) John Bardner. (4) James Young.

words on that occasion are worth remembering. To some extent they are already fulfilled, and to some extent they are still to be fulfilled. "I believe," he said, "the ceremony we have been engaged in points out a new era in the relationship between the seemingly antagonistic forces of labour and capital. In a few years hence, I hold, if this undertaking is carried out with efficiency, there will be no better field for the study of the question of the future—the assimilation of capital and labour." From that point of view Shieldhall has been a wonderful experiment, the effects of which we will try to analyse before we close these pages. Mr Maxwell, before concluding that address, ventured into the realm of anticipation with some of that poetic vision that sometimes characterised his speeches: "I trust when years have revolved round the scroll of time, and other busy hands and busy brains, after we have passed away, have taken up this work, that this fair valley will be peopled by thousands of contented folks—

> "Whose best companions, innocence and health,
> And their best riches, ignorance of wealth."

It is perhaps a melancholy reflection that, of the directors who were responsible for the conduct of the affairs of the Wholesale at that time, not one is now on the board. All have died, except Mr Maxwell himself, and he found it necessary to retire from the active work of the Wholesale ten years before the Jubilee was reached. In one sense his vision of the happy valley has not materialised. There were no tramcars passing Shieldhall then. The estate on which the ground was then situated was three miles from the central premises of the Wholesale, and was outside the burgh of Govan which was beyond the municipal boundary of Glasgow on the south of the river. Now Shieldhall is within the city boundary. The Wholesale paid £500 per acre for the ground of the happy valley; in 1914 it paid £1,400 per acre for another piece of ground adjoining. The land had grown in value by no effort of the proprietors; its appreciation was due to the growth of the city and to the developments brought about by the Co-operators and by others. Mr Maxwell, speaking at the Co-operative Congress at Birmingham in 1906, mentioned the increase that was even then being put upon the value of the land of Shieldhall. He had been discussing the question of

direct representation of Co-operators in Parliament earlier in the day, and the question of housing arose later. In the course of his speech on the latter subject he instanced Shieldhall. He told the Congress that the land they bought there was not worth more than 30/ an acre per annum for agricultural purposes, so that its price should not have been more than £40 or £50 per acre. Then when the Wholesale had gone into the place and put up their factories, the price went up to £1,000 an acre. "Who created that value?" he asked; and he added: "Can you understand now why it is better for us to be represented in Parliament?" The hit scored an effective point in the day's discussion.

There were critics of the Shieldhall scheme. The societies which constituted the S.C.W.S. were scattered all over Scotland, and naturally each district thought that it should have a share of the productive works established where the members would be able to enjoy model employment. It is doubtful whether there will be another Shieldhall; but what has been done at Shieldhall, as we know it, has been an object-lesson in many ways. To whatever extent the place succeeded as an industrial centre, it has never been the garden village Mr Maxwell contemplated. Other works have sprung up. The Glasgow trams whirl past on the road to Renfrew, giving the workers pleasant, regular, and cheap travelling facilities to the city on one side and the ancient burgh on the other; while the Clyde ferry affords easy communication with Partick and other populous centres on the opposite side of the river. The prospective opening of a new dock, which will only be separated from the Shieldhall works by Maxwell Road, which skirts the west side at present, will make the district more and more an industrial area, and, even if the residental part of the original scheme had been put into effect, the probability is that many of the workers would move their residences elsewhere before many more years. Mr Maxwell had little reason to complain of the great progress made during his first nine years on the board. Six years before he was appointed, the directors were given permission to borrow £5,000 on the security of the property; before he was six years on the board, the Wholesale was lending money to Co-operative societies on the security of theirs. We have seen how those years had brought the inauguration of

those productive ventures which now employ 6,000 persons, and many men would have been content with the laying of the foundations of Shieldhall as a life's crowning effort. Yet, the year which saw the little ceremony of the cutting of the first sod performed in presence of the directors and the heads of departments, witnessed—two months earlier—the opening of the Clarence Street hall, where the shareholders now meet when the statutory meetings take place in Glasgow. In June of that year, the big extension of the Leith warehouse was formally opened at a gathering of delegates under the auspices of the Wholesale Society and the East of Scotland Conference Association. In August the printing department was opened in the same building as the Clarence Street hall, under the management of Mr David Campbell, of the Co-operative Printing Company, Edinburgh. Mr Campbell had been one of the most vigorous agitators in favour of the establishment of the Leith branch of the S.C.W.S., and was well known throughout the country as the secretary of the East of Scotland Conference Association. Before the department was in working order the directors had been authorised to include paper-ruling and bookbinding among the enterprises of the department. In 1887, too, the S.C.W.S. joined with the C.W.S. in the issue of the Co-operative Wholesale Societies' Annual, which served a useful purpose but which appeared for the last time in the S.C.W.S. Jubilee year, its place being taken by the more comprehensive People's Year Book. The "Annual," which gave a mass of useful Co-operative information, was first published in 1880. Mr P. Redfern records that copies of the issue for 1883 had been sent to Queen Victoria and the Prince of Wales. Sir Henry Ponsonby, acknowledging the copy, said: "The Queen is glad to learn of the success of a movement which not only encourages thrift, but which also teaches the habits of business and promotes education among so large and important a body of her people." The Prince of Wales's secretary wrote that the Prince was "anxious to express the extreme gratification which he experiences in finding that so large a body of the working men of this country are united in a determination to benefit themselves." The "Annual" was at that time the exclusive property of the C.W.S., and it was not till 1887 that it was first issued as a joint publication. In 1888 efforts were

made to begin a cattle-buying department. Inquiries were made as to the trade the societies would be likely to give, and on the strength of pledges from twenty-three societies, doing a trade of £45,000 per annum, the work was undertaken. The societies were slow to take advantage of the department at first; but it eventually grew, although societies in remote districts, especially those near agricultural centres, regarded cattle as local produce and made their purchases locally. The printing department, however, proved successful from the first under Mr Campbell's direction, and in two years it had to be transferred to Shieldhall. That was 1889, the Society's majority year.

IX.

THE SOCIETY'S COMING OF AGE AND A RETROSPECT.

ORGANISED HOSTILITY OF TRADE RIVALS—TRADERS' DEFENCE ASSOCIATIONS FORMED—WHOLESALE PRESIDENT FORECASTS THE RESULT—PRESS CONTROVERSIES CULMINATE IN A PUBLIC DEBATE—TRADERS' REPRESENTATIVE WORSTED—S.C.W.S. MAJORITY CELEBRATIONS—MAMMOTH PROGRAMME AND A GALAXY OF CO-OPERATIVE CELEBRITIES—WHAT THE WHOLESALE ACHIEVED DURING ITS MINORITY—PROFITS SHARED WITH WORKERS—PROFITS SAVED FOR THE CONSUMERS—A DISTRIBUTIVE TRADE OF TWO MILLIONS—THE TRIUMPH OF COMMON SENSE.

THE Wholesale's Majority Year was ushered in almost with a royal salute. The movement was being torn to shreds, figuratively—although it would have been literally if interested opponents had had their way. While committees of retail societies were lecturing their members on their duty to their societies, and whilst the S.C.W.S. chairman was lecturing—sometimes scolding—the delegates because their societies were not giving all the trade they might give to the Wholesale, there were others who thought the Wholesale Society and the retail societies that composed it were getting too much trade. Traders had ridiculed the early Co-operators for their "miserable attempts at shopkeeping"; but, now, the Co-operative movement had grown to such an extent that it was regarded as a menace to the community. Scarcely a meeting of the Wholesale was held or scarcely a balance-sheet was issued which was not attacked in letters to the Press. The Press itself was not distinctly hostile; because in 1887, when Co-operators had reason to be hurt at somewhat unscrupulous misrepresentations made in letters-to-the-editor, the *Glasgow Evening News and Star*, for instance, printed a rather appreciative article on the Scottish Wholesale Society *apropos* of the opening of the Clarence Street hall. Of course this, although

well enough intentioned, was simply made the excuse for fresh outbursts on the part of those who saw their trade flowing into the Co-operative channels. This kind of thing had been going on for some little time; first attacks on the Wholesale, then attacks on the retail societies, and even then the oppression of individual members of retail societies. Paisley had the honour of being one of the first places singled out for attack in 1886 or 1887. In spite of it all, the business continued to grow; members rolled in, and new departments, as we have seen, increased in number. Mr Maxwell on more than one occasion, referring to the sales reported in the balance-sheet, pointed to the increases as reflecting the contempt with which Co-operators regarded the threats and tactics of the interested parties. The movement did not suffer from these attacks to any very serious extent, for the attacks led to more frequent discussion of the subject of Co-operation in the workshops. The formation of traders' associations in most of the large towns in the country showed unmistakably the depth of the hostility which the success of the movement had provoked—nevertheless, Mr Maxwell, at a quarterly meeting in 1888, anticipated even then what the effect would be. "These associations," he said, "formed for the express purpose of suppressing our movement, will, I have no doubt, give an impetus to our cause. Their loud outcry about the destruction of trade by Co-operation has set many to think out for themselves the rival claims of self-interest and associated effort. Personally, I am much pleased at the turn affairs have taken lately."

The bitterness of the attacks upon Co-operation and the vigour with which Co-operators replied were equally well maintained. The conflict culminated in a public debate on 5th February, in the Society's majority year, the principals in the debate being Mr James Deans, of Kilmarnock, representing the Co-operative movement, and Mr Robert Walker, of Glasgow (and now, we believe, of Manchester), who represented the Traders' Defence Association of Scotland. The debate took place in the Waterloo Rooms, Glasgow. Each side had been allowed 600 tickets, and the hall was filled, so that the enthusiasm and interest in the debate were pretty widespread. The subject for discussion was, in the words of the chairman (president of the Glasgow Parliamentary Debating Association), "the whole

question of Co-operation *versus* private trading." The spokesman for the traders put forward the commonplace statement that they did not object to Co-operation pure and simple—what they objected to was what Mr Walker called the "delusive dividend system." That Mr Walker was not familiar with Co-operative ideas was perfectly clear from the fact that one of his chief objections to Co-operation was that Co-operative manufactures had, in many cases, to be taken by members no matter what the quality or cost might be. Had Mr Walker had the privilege of attending many meetings of retail societies, or even of the Wholesale Society, he would have known how delusive any director would have found the idea that Co-operators would be satisfied with "just anything." The most effective speeches and the most effective arguments were undoubtedly those of Mr Deans. The method by which the traders attempted to oppress Co-operators was revealed by Mr Deans, who floored Mr Walker by producing documentary evidence of the deliberate boycott of Co-operators, the families of Co-operators, and all who traded with Co-operators. He produced circulars that had been sent to employers' offices asking the employers of labour to use their influence to stem the tide of Co-operation. Anonymous letters had been sent to employers, bringing charges of a serious nature against servants holding positions of responsibility and trust; and as an evidence of what was going on, he read a cutting from a Stirling paper which we reprint in full:—

> THE STIRLING TRADERS' DEFENCE ASSOCIATION.—At a largely attended meeting of this Association in the Lesser Hall on Wednesday last the following resolution was unanimously adopted:—"That the Association resolve to employ only those tradesmen and their employees that support only individual enterprise. Having received no proper satisfaction from the Caledonian Railway Company, have resolved to act from this date in terms of memorial."

Whatever neutrals there were in the audience were impressed with these statements more than by anything that Mr Walker had had to say. That debate exposed the first of the series of boycotts which have been attempted during the lifetime of the Wholesale Society; and, so appreciative were the Co-operators of Scotland, that Mr Deans was made the recipient of a well-merited testimonial.

As events proved, Mr Maxwell's anticipations of the results of these activities on the part of the opponents of the movement proved correct; and when the Society came to celebrate its majority everybody connected with it had good reason to feel highly elated. In March of 1889 the nature of the celebration of this event was discussed at a quarterly meeting, and all agreed that the circumstances in which the Wholesale Society found itself were such as to warrant a fairly elaborate programme. The celebrations took place on the 21st and 22nd June, and were carried through with conspicuous success. A big meeting was held in the Music Hall, Edinburgh, on the Friday evening. On the Saturday morning the memorial stone of the new drapery warehouse, at the corner of Dundas Street and Wallace Street (then St James Street), Glasgow, was laid. The delegates were taken to the works at Shieldhall by steamer, accompanied by the Alva Brass Band. There was a celebration dinner at Shieldhall, and in the evening there was a big public demonstration in St Andrew's Hall. It may safely be said that, excepting on the occasion of a Co-operative Congress, there had never been in Scotland such a galaxy of the leaders of Co-operation as took part in those celebrations. G. J. Holyoake, an old favourite with divers Scottish audiences; E. Vansittart Neale, the general secretary of the Co-operative Union; J. C. Gray, his successor; J. T. W. Mitchell, chairman of the C.W.S.; William Bates, of Manchester, and Joseph Clay, of Gloucester, directors of the C.W.S.; M. Haworth (Accrington), of the Newspaper Society, and Samuel Bamford, the editor of the *Co-operative News;* T. Wilberforce, of Leeds; William Barnet, president, and James Odgers, manager, of the Co-operative Insurance Society; and George Scott, of Newbottle, were all among the English guests who figured on the list of speech-makers. There was, of course, an excellent collection of Scottish Co-operative orators. James Deans, John Barrowman, James Nicholson (of Leith), Thomas Telfer (of the East of Scotland Conference), William Barclay (of Kinning Park), George D. Taylor (of Edinburgh), Poole (of Portobello), Ramsay (of Bo'ness) were among those whose voices were usually heard at any representative Co-operative gathering; and even men of such characteristic modesty as James Marshall and Robert Macintosh were not allowed to escape their turns.

Our description of the celebrations might be attributed to a desire to flatter if we were to collect the recollections of those who participated and who might be influenced by the pleasant anticipations of the Jubilee celebrations; but an excellent impression has been left by Mr Holyoake in an article written on the occasion. He had taken part in the inauguration of the Paisley Road premises in 1873; and, after the lapse of sixteen years of progressive development, when he revisited the district for the majority celebrations, his impression of the central premises was of peculiar interest: "The Wholesale Society in the Paisley Road has greatly increased in dignity since it has been increased in extent. I remember no business block in the city, standing at the junction of two roads, more imposing. Its colour gives effect to the red curtains, or red paint, on the lower part of the many windows. One view of the building presents seventy-nine windows. The aspect is as bright and hospitable as that of a French hotel." His description of the programme was no less interesting and much more illuminating. From it we quote: "Early on Friday, guests and delegates flocked into Edinburgh from England. Around the Music Hall in Edinburgh, and afterwards in St Andrew's Hall in Glasgow, were displayed names of persons whom the Scotch Co-operators held in regard—Vansittart Neale, Lloyd Jones, Thomas Hughes, Abraham Greenwood (in front of the gallery), Robert Owen (in front of the platform), J. T. M'Innes, and Alexander Campbell. It was the first time I met my own name thus manifest. Tea had been provided for 1,500 persons before the meeting, and it was amazing to hear that each person on going out would receive a parcel composed of some dainty edible product of the Wholesale. The industry and resource were surprising which made up 1,500 parcels while the speeches were proceeding. . . . Handsomely bound books of procedure, with tickets too dainty to be given up, were provided for the guests. In the said book we learned that after the Edinburgh meeting (which lasted till near eleven at night) we were to take an early train next morning so as to be in Glasgow by 9 o'clock; and at 9.30, at Dundas Street, over the river, at a foundation-stone laying—to be in a steamer at 10, on the way to Govan, to be at the Shieldhall banquet at 12, and again in St Andrew's Hall

Glasgow, at five. We had great enjoyment, but we seemed to take our sensations by electricity."

"The remarkable thing of the proceedings in the two cities," continued Mr Holyoake, "was the speeches of Mr Maxwell. Though responsible for all the arrangements, and superintending them, and in the chair four times, altogether for twelve hours, his own speeches were fresh, various, and informing, and delivered with admirable perspicuity. As is the case with our English meetings, too many persons were put down to speak, which imposed upon the chairman constant vigilance as to time. At Edinburgh there were twelve speeches; at the stone-laying, eight; at Shieldhall, twenty-eight; at St Andrew's Hall, twelve—sixty speeches all told. At Shieldhall, toasts had to be proposed in three-minute speeches, which did not conduce to fulness of expression, for by the time a formal speaker had got as far as 'Mr Chairman, guests, and delegates,' his time was half-way up. Yet Mr Maxwell managed his superabounding material with admirable art and untiring energy. Had Dominie Sampson witnessed Mr Maxwell's two days' work, he would with reason have called it 'prodigious.' A multitudinous tea party preceded the assembly of the three thousand who formed the audience in Glasgow. The morning in the Carlisle theatre, one night in Milan, and the greeting of St Andrew's Hall from persons I had never seen, I shall remember together. The most remarkable of the miscellaneous speeches of the night were those of Mr Deans and Mr Bamford. Mr Deans, though slight in person and frail in appearance, has a voice of gathering force and intensity, with a fluency which does not hesitate as to terms, and is never wrong in the choice. Mr Bamford is always reluctant and usually omits to publish any approving reference to himself; else I should say that his speech had a quality of tone and charm of style which surprised those who had not heard him speak on a platform before."

We should add to that that it was a striking demonstration that was held to mark the laying of the memorial stone of the new drapery warehouse. The stone was laid with ceremony by Mr Andrew Millar, the secretary, who was presented with a silver trowel with which to perform his task, the trowel being presented to him by Mr Daniel Thomson, one of the most cultured of the many men who have served on the Wholesale

board during its whole history. It is interesting to record that the memorial stone contained a jar in which had been deposited copies of the Scottish morning newspapers, a copy of the *Co-operative News*, a price list of the S.C.W.S., the quarterly balance-sheet, and several other contemporary documents. Mr Millar concluded his ceremony with the words: "I declare this stone to be square and level, and I express the hope that all transactions within these walls will be in harmony with the stone—that is, just, square, and level."

Needless to say, the speeches delivered at each of the gatherings were very largely congratulatory of the S.C.W.S., although the orators also found room to point out obstacles to progress of which Co-operators everywhere ought to be warned. There was some justification for congratulation, not only because of the prosperity of the Wholesale Society, but because of the progress the Co-operative movement as a whole was making. The year before the Wholesale Society began there were 26,250 members in the societies in Scotland, whose total capital amounted to £96,531, and whose annual trade was reckoned at the then enormous figure of £801,110. The lapse of twenty-one years had increased the membership to 159,753; the capital had risen to £1,849,447; and the total trade done by the Co-operative societies in Scotland in that one year amounted to £7,392,381, on which a net profit of £685,446 was available. That difference was stupendous, and its effects were being indicated in a variety of ways. In many places in Scotland these societies of working people were becoming the largest holders of property. The societies were building homes for people, and thus stabilising the lives of the people by giving them a real material interest and something to work for. Of the Wholesale Society itself during those twenty-one years an enormous amount might be written by way of analysis. During its minority period the Society had passed through its warehouses goods to the value of £17,200,000. One singularly interesting feature of the whole of this trade was that only about £6,082 of bad debt had been contracted during the whole time. The Wholesale had been singularly fortunate in contracting so few bad debts. It was then regarded as being quite satisfactory, in the ordinary commercial trade, if the total loss from this cause remained under 2½ per cent. of the sales. In

the case of the Wholesale Society the total bad debts for twenty-one years worked out at one-sixtieth of the total.

The record of the twenty-one years may be stated thus :— The capital invested in the Society amounted to £480,622 ; whereas the capital invested in the whole of the Co-operative societies in Scotland in 1867 amounted to £96,531. The societies in membership in the Wholesale to begin with comprised only seven thousand persons ; but, by the majority year, the membership had so increased that the Wholesale Society represented 100,000 Co-operators. There were in Scotland, in 1889, 327 registered Co-operative societies, twenty of these owing to the nature of their business (they dealt in exciseable liquors) were ineligible for membership. Of the 307 societies remaining, only twenty-five (less than one-twelfth of the total) did not purchase from the Wholesale. Of the remaining 282 societies which did trade with the Wholesale, only forty-seven (one-sixth of the total) were non-members. It is also worthy of note that of the total capital invested in retail societies fully one-third was reinvested in the Wholesale Society. The balance-sheet issued for March 1889, the last before the celebrations took place, showed that the Wholesale's own trade with the societies in Scotland amounted to £510,000 for the quarter. This was an increase of £83,000 over the corresponding quarter of the previous year ; and it is specially noteworthy that this increase alone—not the total sales—was nine times the total turnover for the first quarter in which the Society existed. The distributive expenses involved had not exceeded $4\frac{4}{5}$d. per £ in any year, and the rate had been as low as 3d. per £. On their trade with the Wholesale Society the retail societies had received, during those twenty-one years, an average dividend of $6\frac{1}{2}$d. per £ ; and the total net profits that had been distributed amounted to £414,000. If put in the plainest language, that would mean that in the twenty-one years of its existence the S.C.W.S. had saved £414,000 for the Co-operative societies in Scotland, whose members, but for the Wholesale, would have had to pay that in profits to merchants and manufacturers. The Society had property, bought on fairly satisfactory terms, which with plant and machinery had cost £133,000, but which had been written down to a nominal value of £100,000 owing to the Society's policy of "generous

depreciation." It had land to the value of £22,730. The reserve fund, which was inaugurated in the first quarter by the allocation of the total profits—£48, 12s. 10d.—now amounted to £38,000. The Co-operators throughout the country had reason to be satisfied, not only because they had set up their own organisation and had done through it this huge trade of £17,200,000 which would otherwise have been done for them by others who would have charged prices and supplied qualities over which the purchasers would have had no control, but they were gratified chiefly because their productive ventures were already extending and proving profitable. The first of their factories had not been started till 1882, and it had already manufactured shirts to the value of £10,243; its tailoring department, chiefly "ready-made," had provided £40,917 worth of clothes; the cabinet factory, commenced in 1884, had in the intervening four and a half years, produced £13,611 worth of furniture; the printing department, scarcely two years in existence, had done work to the value of £5,617. The greatest triumph of all had been the boot and shoe factory, which in the four and a half years had had a run of success which gave it an output of 4,000 pairs per week, and the value of its productions up till that date was £145,652. In those few years in which these factories had been in operation they had enabled the Wholesale to manufacture, under its own control and according to its own ideas, a quarter of a million pounds worth of the goods it sold, thus eliminating a second profit on that part of its trade. All this trade was worked most economically. Readers will have noted that interest on capital invested was not regarded as something that should depend upon the amount of profit earned; interest was regarded as a necessary charge for the remuneration of those who lent their capital just as wages were regarded as a necessary charge on the business for the remuneration of those who lent their brains or their muscle to the business, and interest was therefore allowed for before the net profits were declared. Notwithstanding that, the total expenses of the distributive trade had never exceeded 2 per cent.; and Mr Maxwell, from the chair at one of the shareholders' meetings, declared that no merchant or merchants could continue to distribute their goods for years, as the S.C.W.S. had done, for 2 per cent., including the interest on capital. The Wholesale had made remarkable

efforts to bridge the distance between the producer and the consumer, and thus made the wages of the consumer go further than would have been possible—for the people who purchased from the stores saved for themselves the retailers' profits; the societies saved for their members the wholesale merchants' profits by doing their own "wholesaleing" through the S.C.W.S.; and the S.C.W.S., to the extent of its quarter of a million of productive trade, saved for the societies and their members the manufacturers' profits. These operations were enhanced in value by the Co-operation between the English and Scottish Wholesale Societies. Four years were to elapse before the formation of an International Co-operative Alliance was resolved upon, although the Co-operators of different countries were already exchanging ideas; but at the majority celebrations —at the opening meeting in connection with the celebrations— Mr Maxwell, who subsequently became the honoured president of the International Alliance, and could be certain of hospitality from friends in almost every city in Europe and in many cities outside of Europe, threw out one of many suggestions of his which have set his Co-operative world thinking. He was speaking of the great advantage that had been derived from the joint trading arrangements between the English and Scottish Wholesale Societies when he said :—

> We are at the present moment the largest exporters of produce from Ireland to this country. A great money gain has been made through this union, but we had a greater gain by means of it; we have had a glimpse—if only a glimpse—of what might be done by International Co-operation. Now that men are co-operating in nearly every country in the world, what is to hinder the development of this scheme so that they should do as the English and Scottish Wholesales are doing—exchanging their products—and instead of the rank and file of society meeting on the battlefields of Europe for the purpose of annihilating one another at the command of some potentate, they would then meet on the lines of peace and amity for the purpose of studying each other's progress and happiness.

So much had been done and so much was contemplated to bring producers and consumers closer together. Something had been done to reconcile the interests of capital and labour. The Wholesale's employees numbered 1,200, and they, like the purchasers, shared in the profits of the business through the bonus paid on wages. A later reference will be made to that

subject in considering the Society's relations with its employees ; but it will cause no digression here to record that up till the majority year, the employees had received £8,605 in bonus in addition to their wages, which Co-operators held should be the best paid anywhere. The share of this bonus which fell to the workers in the productive departments worked out at rates varying from 22 to 26 per cent. of the total profits earned in those departments.

Mr Lloyd Jones, the well-known Co-operator, who had been an Owenite and a Christian Socialist in turn, and who had been attached to the *North British Daily Mail* (now merged in the *Glasgow Record and Mail*), once declared that " in Co-operation you have a thing which has succeeded in spite of every kind of stupidity." The stupidities of the early days—it is nearly half a century since these words were uttered—were pardonable so far as they were perpetrated by the untutored men who struggled in despair to save themselves from misery by resorting to Co-operative experiments. Year after year had seen the tragic procession of educated, and once wealthy, business men through the halls of the Bankruptcy Courts. If they, in their enlightenment, gravitated there, who dare revile the unschooled if they should trip over some of the rocks in the sea of commerce ? Stupidities there had been ; but, everything considered, they had been comparatively few among the Co-operative societies of Scotland, and they had been amazingly few even in the first twenty-one years during which the S.C.W.S. directors were steering their organisation over the cobble-road of experience. The position in which the S.C.W.S. found itself on attaining its majority must have given intense pride to those concerned about the progress of a Society which, having come into existence on the strength of pledges of trade to the amount of £100,000 per annum, was able to boast of an annual turnover exceeding two millions when it came of age.

X.

AN EVENTFUL DECADE IN WHICH THE SOCIETY ACCEPTS A CHALLENGE.

NUMEROUS NEW FACTORIES ESTABLISHED—S.C.W.S. FURNITURE EXHIBITS PRAISED—A MEMORABLE CONGRESS AND A SHIELDHALL GIFT FOR LORD ROSEBERY — CO-OPERATIVE LIFE-BOAT LAUNCHED ON THE CLYDE—PROSPERITY AROUSES ENVY—CO-OPERATORS CHALLENGED —THE BOYCOTT PERIOD—PRIVATE TRADERS' WAR AGAINST WOMEN AND CHILDREN—"NO CO-OPERATORS NEED APPLY"—TRADERS, BUTCHERS, AND SOAPMAKERS BEATEN—THE WHOLESALE'S SPLENDID SERVICE—THE FIGHT FOR CIVIC RIGHTS—"NINETY-FIVE MORRISON STREET"—S.C.W.S. PRODUCTIONS REACH A MILLION—NET RESULT OF THE BOYCOTT.

THE next decade began well, and a survey of the years which brought the nineteenth century to a close showed wonderful activity throughout Co-operative Scotland. The Wholesale Society was still pushing forward in its laudable desire to cater for all the wants of the Co-operators and their families. The quarter which succeeded that in which the majority was celebrated gave remarkable evidence of the value of the fillip which Co-operation had received. During that quarter the sales amounted to over £603,000, a sum which exceeded the total trade for the year 1878. The increase in trade during that quarter had been equal to about one thousand pounds per day. This had been accomplished with so little effort that the directors and the managers kept pointing out to societies that if this remarkable increase had been achieved so easily a very little effort would do an enormous amount to reduce the difference between the amount of the goods sold by societies and the amount sold by the Wholesale to the societies, and it would also do a great deal to bring the amount of goods produced in Co-operative factories much nearer to the amount of the goods sold in Co-operative shops. Still further productive factories were established, the first addition of this kind being the brush factory. The printing department had to be

AUDITORS AT JUBILEE

(1) John Millen, P.A. (elected 1886).

(2) Robert J. Smith, C.A. (elected 1397).

(3) W. H. Jack, F.S.A.A. (elected 1902).

THE S.C.W.S. SUPREME COURT

DELEGATES AT QUARTERLY MEETING, 8th MARCH 1919

considerably extended, paper-bag making had been added to the operations of the department, and considerable additions had to be made to the plant. The cabinet factory had been extended, and it was as an adjunct to this that the brush factory was inaugurated in January 1890. Progress was being made with the erection of the buildings to accommodate the preserve department, and this was inaugurated in June of the same year.

Before the year closed the Co-operative Congress was held in Glasgow. It was a memorable gathering, over which Lord Rosebery presided on the opening day, and delivered the inaugural address—an address which has become historic because of his description of the Co-operative movement as "a State within the State." Mr Maxwell presided at the second day's proceedings, and Mr James Deans, already known to the Co-operators of the three kingdoms for his fighting capacity, presided on the third day. The Congress was of some considerable importance from the Co-operative point of view. In the first place, Miss M. Llewelyn Davies raised the whole question of the relations between Co-operation and socialistic aspirations in a paper which Mr Holyoake described as "socialistic." "Labour, Capital, and Consumption" was the title of a paper read by Mr E. S. Bycraft; but interest in Co-operative progress in Ireland was aroused in a paper read by Mr—now Sir—Horace Plunkett, who has recently loomed large on the Irish stage. One of the outstanding events of the Congress was the launching of a Co-operative lifeboat in the Clyde from Glasgow Green. There was a big Co-operative productive exhibition in connection with the Congress; and, after the formal opening of the exhibition, the delegates marched from the City Hall to Buchanan Street Station where Co-operators from all the surrounding towns and villages were assembling. With banners waving and bands playing, a monster procession marched to the Green and, amid a spate of oratory, the lifeboat was launched, the christening ceremony being performed by the wife of the manager of the S.C.W.S., Mrs James Marshall, and the boat was formally handed over to the representatives of the National Lifeboat Institution. The whole business gave offence to the opponents of the Co-operative movement chiefly because the gathering on Glasgow Green was one of the largest

in history up till then—if we except the enormous crush that was witnessed there at the military review on the occasion of Queen Victoria's Jubilee in 1887. The press had to take notice of events so important—first of all the presence in Glasgow of Lord Rosebery who, in the eyes of the Glasgow citizens, is the most popular sprig that is to be found on the whole tree of Scottish nobility; and, secondly, the monster gathering on Glasgow Green. Another incident in the Congress programme brought some publicity to the movement. There was an exhibition of Co-operative productions, as we have said. It was a revelation to the Glasgow press and the Glasgow public to see how extensive was the variety of goods produced in Co-operative factories. One of the incidents of the Congress was the presentation, made to Lord Rosebery by Mr Maxwell, of a beautiful writing table made at the Shieldhall cabinet factory. It was a work of art, beautifully designed, beautifully executed, and gracefully presented; and it aroused Lord Rosebery's admiration. Some of the trade journals published descriptive accounts of the exhibition; and one of the journals representing the furniture trade wrote in the most glowing terms of the exhibits from the cabinet factory. A magnificent sideboard, designed by Mr Alexander Thomson, a member of St George Co-operative Society, and made at Shieldhall, elicited a specially complimentary reference; and the productions of the brush factory were so exquisite that doubt was expressed as to whether they were actually made at Shieldhall. There was no doubt about it, of course; but people engaged in the trade seemed to take it for granted that Co-operators could not make first-class articles. That error has been brought home to the public frequently, in a variety of ways since then.

Developments were proceeding apace. In 1840 Mr John Black, who had inaugurated the Kilmarnock depot, retired, and was succeeded by his assistant, Mr William Laird. The later years of Mr Black's management had been enlivened by a vigorous agitation on the part of the Ayrshire societies to have the Kilmarnock depot converted into a branch, like the Leith branch, for the sale of goods. Some members of the board were eager to retain the depot simply as a collecting centre for local produce; but the Ayrshire Co-operators wanted more than that. They wanted to be able to buy at Kilmarnock

what they could buy at Glasgow, and their contention was that the Wholesale would benefit by the change inasmuch as increased trade would be certain to result. The matter was discussed time after time at the Ayrshire Conference until the Ayrshire societies reached unanimity in their demands. When that stage was reached, they brought the question to the quarterly meetings, and there were several battles royal fought over the issue. Ayrshire's campaign was led by Mr James Deans ; and it is amusing now, after the lapse of so many years, to read some of the passages between Mr Maxwell and him, especially as the two are among the few surviving links between the past generation and ourselves.

Not satisfied with being mere manufacturers of boots, the Wholesale had begun a Currying department, so as to get one stage nearer the source of production. The tailoring factory had developed so extensively that a new branch of the trade was established by the opening, in 1890, of the artisan clothing factory. In connection with the drapery warehouse a mantle factory was opened in January 1891 ; in April of the same year a confectionery works was added to the preserve factory ; and three months later, the Wholesale decided that it ought to manufacture a great amount of the tobacco it sold, and so the tobacco factory was established, under the control of Mr Thomas Harkness, an active member of the Kinning Park Society, who was then in charge of a well-known tobacco factory in Glasgow. The following year, 1892, saw quite a number of important productive factories opened. In the first month of the year, four big departures were made. The manufacture of coffee essence, then a popular commodity, was commenced at Shieldhall on a scale which proved utterly inadequate before very long. The chemical department at Shieldhall was another of the four new departments which began business in this year. It was a small venture then, and its operations were extremely limited ; but, before many years, it was destined to play a big part in the development of Co-operative trade and in upholding the rights of Co-operators. The establishment of the engineering department was almost a natural result of the establishment of a building department. The engineering department undertook the repairing of a good deal of the machinery in use in the society's premises ; it was responsible,

too, for the fitting of plant; and, later, became responsible for the construction of plant and some of the society's structural work. Ham curing was already one of the occupations of the S.C.W.S., and, in 1892, a sausage factory was established, which has come to fill an important place in the Wholesale's productive activities. The tanning of leather was added to the currying at Shieldhall, and ground, with buildings, was bought at Adelphi Street, Glasgow, and utilised for the Parkview boot factory, which specialises in children's boots and shoes. A pickle factory was added to the group known as the productive grocery departments. The cartwright department was established in 1894, and the same year witnessed quite the biggest venture embarked upon up till then—the inauguration of the Chancelot Mill, probably the most handsome flour mill in the world. This enterprise had its origin in the speeches of some of those who took part in the preliminary meetings held to discuss the possibility of forming a Wholesale Society. To those men the acquisition of a flour mill seemed to be one of the first duties of the proposed society. The time that elapsed before that suggestion took practical shape was not lost. The Wholesale had followed the practice of buying for an ascertained market, and the same rule governed its ventures in production. Frequently the subject of milling was introduced at quarterly meetings, but it was not till February 1891 that the directors formulated a scheme for the production of flour and meal. At that time the Wholesale was selling to its society members 180,000 bags of home flour per annum, or 4,000 bags per week. They decided to take measures to mill 4,000 bags per week, and so they outlined their proposal to have a large mill in the East of Scotland and another large mill in the West. The East came first in the realisation of the plan. Three acres of land were secured at Bonnington, Edinburgh, and the first sod was cut in January 1892. A great demonstration was held in August of the same year to celebrate the laying of the memorial stone, when nearly 20,000 Co-operators, accompanied by a dozen bands, marched from the Leith Links to the site of the new mill. The Wholesale directors and managers, representatives of the English Wholesale Society and of the Co-operative Union, and a number of other specially invited guests, rode in carriages at the head of the procession, and, so large was the concourse of

people that the carriages had left the starting-place half an hour before it was time for those at the rear of the procession to move from the Links. There has rarely been such a procession in Leith. The opening of the mill in August 1894 was an occasion of special rejoicing, and the ceremony was carried out in a magnificent style. After an address from Mr Maxwell, who was naturally jubilant over the triumph represented by the acquisition by Co-operators of such an establishment, the steam was turned on by Mrs Maxwell. The description of the ceremony recorded that " The wheel regulating the throttle valve was tied with a blue ribbon, to which was attached a handsome jewelled bangle. When this had been placed on Mrs Maxwell's wrist, she turned the wheel, not without exerting some strength, and the great fly-wheel began to revolve, slowly at first, then fast, amid ringing cheers." Sir James Russell, Lord Provost of Edinburgh, assisted Mrs Maxwell in this part of the ceremony. Mr Mitchell, the C.W.S. chairman, and Messrs Tweddell and Sutherland, his colleagues on the C.W.S. board, were among the guests at the gathering. The mill was capable of producing twenty-five sacks of flour per hour, or 3,500 per week, but it was built for a larger trade. It seemed an enormous undertaking for the Wholesale to equip a mill of such capacity then, but, when the 1914 war broke out, the Society's mills were turning out about 12,000 sacks of flour and meal per week.

We have already seen something of what the Traders' Defence Association had attempted in the year of the Wholesale Society's coming-of-age. The progress which the movement was making, and which has been set forth in this chapter, could not continue without arousing hostility. There was "sniping" of all sorts going on in the columns of the Scottish newspapers—particularly the evening newspapers—in 1893 and later. The Traders' Defence Association itself, after the failure of Mr Walker's encounter with Mr Deans, had refrained from coming prominently into the limelight ; but its hand was being forced. By 1895 the Wholesale Society had command of nearly a million and a quarter of capital, and its sales touched three and a half million pounds. That made the S.C.W.S. a formidable institution ; but it was only the central organisation of the Scottish societies, which had almost four millions of capital, sales exceeding ten and three-quarter millions, and, in that one year,

had disbursed as dividends to their members a sum of almost a million and a quarter. These societies, unlike individuals in trade, took no steps to conceal their prosperity. Their shareholders' meetings in some villages and towns afforded excellent copy for the local newspapers, not because the papers were disposed to favour Co-operation, but because in many places nearly every householder in the community was a member of the society, and was entitled to speak at the meetings. The news value of such meetings was considerable, as the proprietors and the editors fully recognised. The same thing, though perhaps in a lesser degree, applied to the larger towns. Balance-sheets were freely sent to the newspapers, and, as the average Co-operative balance-sheet is generous to a fault in the wealth of detail it supplies to the reader, the most minute details regarding the business of the societies were brought before the eyes of the critics on the papers to be commended or questioned at will. There was rarely criticism of an unreasonable character, and only rarely was there any lavish commendation ; but, on the whole, the one fact that was apparent to the staffs of the papers was the steady growth of the local society—growth which aroused interest in some cases and even caused some little amazement. The repeated tale of progress quarter after quarter alarmed the traders, and they could ill afford to keep silence, even if they fully realised that, " if they were to stud every hill in Scotland with a Robert Walker, the Co-operators of Scotland would be able to put alongside of him a James Deans," as Mr Scott, of Newbottle, had said at the majority celebrations. The " letters to the editor " began to grow more numerous, till at the beginning of 1896 these communications—few of which were signed with the names of the writers—were so common, and their contents so similar, that it was perfectly clear that they were being organised.

There were three distinct classes of people eager to stop Co-operative progress. In the first place, there were the shopkeepers, who saw their customers leaving them to join the Co-operative stores ; in the second place, there were the agents and wholesale firms, that had no reason to complain till the S.C.W.S. began to grow and to sell goods that they used to sell to the societies ; and, in the third place, there were the manufacturers, who were eager for the trade of the Co-operators, and

willing to sell to the societies or to the Wholesale, but who were shrewd enough to observe that, if the growth continued and productive enterprises grew, they themselves might be the next to be dispensed with. Each section of this triple alliance issued its challenge to the Co-operators. Those shopkeepers, who were banded together in the Traders' Defence Association—a body which was considerably less representative of the trading class than it pretended to be—organised a boycott of individual Co-operators. An individual trader, a Mr Gilchrist of Glasgow, issued a circular in May 1896, urging fellow-traders to resolve that, on and after a certain date, they would "not employ in any capacity whatever any person, young or old, who is in any way, whether relative or otherwise, connected in the most remote degree with any so-called Co-operative society which carries on trading, either wholesale or retail." It was also to be an article of faith that those who gave their adhesion to this covenant should not buy from any firm who had any transactions with any Co-operative dealers. The Traders' Defence Association resented this individual's attempt to arrogate to himself the prerogatives of the association; but the Traders' Defence Association had to move, and so it, in turn, issued a circular, which was published in the Glasgow *Evening Times* of 25th May 1896. The circular urged that immediate steps should be taken against Co-operation, and a notice was enclosed with each circular sent out, the intention being that the notice should be displayed in the business premises of the party to whom it was sent. The following is the text of the notice:—

> "All employees, who are directly or indirectly connected with any co-operative society, must cease to have such connection before . . . if they wish to retain their employment, or accept this intimation in lieu of the usual notice to leave."

The legality of this proceeding was a matter for careful consideration by Co-operative organisations at the time, and it was apparently also a matter that gave some little anxiety to the Traders' Defence Association, for Mr Robert Mowat, president of the Traders' Defence Association, who signed the circular, was careful to point out to the addressee that "you must understand that it is left solely to your own discretion as to whether you should use the notice." These incidents mark the beginning of the campaign known as the 1896 boycott.

So far as the shopkeepers were concerned, we believe it is correct to say that the larger men in business were not particularly concerned about this crusade. They had the impression that they could beat the Co-operative societies by orthodox business methods, and, frequently, Traders' Defence Association speakers and writers upbraided the bigger shopkeepers who would not associate themselves with the somewhat contemptible tactics resorted to by the Traders' Defence Association.

Some of those who were concerned in this form of the boycott were ashamed of those tactics, and it might possibly be denied that anything in the nature of individual persecution was resorted to. It is well, therefore, that we should cite typical cases that occurred, and that were catalogued by the Co-operative Vigilance Association, of which the chairman and secretary respectively were Mr Peter Glasse, of the S.C.W.S. board, and Mr James Deans.

In Uddingston the sons and daughters of a number of members were dismissed by local merchants by whom they had been employed. In one case the person dismissed was a boy working for 5/ per week, and who was employed by Messrs Thomas Nesbitt & Sons, who wrote to the boy's father as follows :—

Havelock Place,
Uddingston, 27th June 1896.

Mr Gaughan,

Dear Sir,—On account of the attitude of traders and co-operation I have to inform you that Bertie works his warning to leave next Saturday. This action is not arbitrary, only in defence of our trade, which by the present system of dividends is being ruined, and also the country, and our sons' and daughters' welfare are at stake.—I am, yours truly, Thomas Nesbitt & Sons.

Robert Ritchie, aged fifteen, an apprentice grocer, was dismissed because his father was a member of the Strathaven Society. Another lad of the same age, employed in an ironmongery shop, was dismissed because his mother (a widow) was also a member of the Strathaven Society. In both cases the parents got the option of withdrawing from the society as an alternative to the dismissal of their children.

The shopkeepers identified with the Traders' Defence Association used their influence with manufacturers to secure the dismissal of Co-operators and their sons and daughters. In May 1896 Messrs Scott, preserve makers, Carluke, summoned

a meeting of their workers, and intimated that those who were members of the Co-operative store must give up the store or leave their work. They explained, in a letter to the society, that necessity was laid upon them in the action they took. A good many of their workers, who resented the ultimatum, nevertheless found it necessary to give way. The two daughters of the secretary of the society, who would not do so, were dismissed from their work.

An organisation professing to represent the great trading interests of the country might have been expected to prove by trade methods the weakness of Co-operation, but its adoption of the policy of securing the dismissal of widowed charwomen, and of the children of widows, because of a family association with the Co-operative store, exposed the hollowness of their case. The Co-operators had to accept the challenge, however. Railway companies that threatened the dismissal of Co-operators were met with a threat to transfer Co-operative traffic, and it usually sufficed. Where dismissals by shopkeepers and others engaged in ordinary trade did occur, efforts were made by the local societies to find employment for those displaced, and, if they did not succeed, the Wholesale Society frequently found employment for the victims. A young man ordered to live at the seaside went to Ayr and found a situation. He was dismissed at the instance of the boycotters because his parents were connected with a Glasgow society. He found another job, and his persecutors again secured his dismissal. The Co-operative Vigilance Association took the matter up, and, as a result of their intervention, the Kilmarnock Society established its first Ayr branch, and, in Ayr, the society is now doing a trade of £130,000 per annum. A few years later, when a local baker attempted to revive a boycott in Ayr, his fellow traders quietly pointed to the trade that was going into Co-operative channels in Ayr because of earlier stupidity of that sort, and quietly hinted that he should desist. Similar causes brought Co-operative stores into existence later in Dunoon and Helensburgh, and that method of boycott failed generally because of the resolute action of the retail societies, backed by the Wholesale Society.

A more skilful, though equally unfruitful, attempt at boycott was made by the Fleshers' Association of Glasgow. The first

blow was struck when a notice was exhibited in the Dead Meat Market in Glasgow, intimating that, in accordance with the resolution passed at a mass meeting of master fleshers in the Glasgow Trades Hall on 25th June (1896), " from and after this date no Co-operative society will be supplied at this establishment." All the salesmen, except two or three, agreed not to deal with Co-operative societies. The superintendent of the market, which was the property of the whole of the citizens, ordered the notice to be taken down ; but that made no difference, because the salesmen, members of the association, abided by the resolution. That was the spirit displayed in the Dead Meat Market. The salesmen there would not only decline to sell to any representative of a Co-operative society, but decided that they would have no dealings with anybody who would sell to a Co-operative society. According to reports of a meeting held on 23rd March 1897, Mr Roderick Scott stated that the object of this campaign was " to close the fleshing departments of the Co-operative societies.' Mr D. M'Intyre, of 43 Candleriggs, Glasgow, writing to the convener of the markets committee of the Glasgow Corporation on 26th March 1897, protested against the attempt of the majority of the salesmen to coerce those who would not sign a pledge of their refusal to deal with Co-operative societies. He claimed to have purchased more meat than any individual, or firm, in Glasgow through the Meat Market.

Things were no better at the Cattle Wharf sales. The *Glasgow Herald* of 29th March 1897 contained an advertisement by " Roderick Scott, auctioneer," relating to the sale of 150 prime States cattle, in which it was announced that " No Co-operative societies, or persons selling to or dealing with Co-operative societies, directly or indirectly, will be allowed to bid." The Cattle Market, like the Dead Meat Market, was the property of the citizens, and was provided for the good of all the citizens. It was a violation of the civic rights of Co-operators to be refused the use of the markets in this fashion, and the Town Clerk intervened, in a letter to Mr Roderick Scott on 6th April 1897, to point out that the exclusion of *bona fide* bidders would be illegal.

This action on the part of the fleshers and the meat and cattle salesmen challenged the Co-operators at two points. It

challenged them as citizens who were entitled to free access to the public markets, and it challenged them to find cattle and meat in defiance of the boycotting butchers. In 1896 the Glasgow Co-operators worked, in conjunction with the trade unionist, Labour, and Irish Nationalist organisations, to secure the election of members of the Corporation pledged to secure fair play for the citizen-Co-operators; and the result of the combination was the election of a number of democratic members, who became known in the Town Council as the "Stalwart Party." Similar methods were adopted by the Co-operators in other districts; public meetings were held in all the towns where the boycott was being attempted, and the societies in Scotland formed a defence fund of £20,000. The Co-operative Vigilance Association did excellent work at that time, and Peter Glasse and James Deans, particularly, were ceaseless in their efforts to organise the defences of the movement against every stratagem adopted by their opponents. The methods adopted by either side did not lack vigour; but the traders—fleshers and others—took serious exception to a manifesto issued by the Vigilance Association (in reply to the Gilchrist circular) in which it was stated that "the object of our (Co-operative) enterprise is to eliminate the principle of individualism from trade and commerce." They made emotional appeals to the public to realise that the Co-operators meant "to eliminate the traders," forgetting that the traders, from the nature of their competitive system, were seeking to eliminate each other. The battle for the recognition of the civic rights of Co-operators succeeded; and, in 1897, the Glasgow Corporation—thanks to the efforts of the Co-operative organisations and their friends—passed by-laws regulating sales in the public auction rings of the city markets. These by-laws required every auctioneer to accept *bona fide* bids, and prescribed penalties for violation of this regulation. The fleshers did not like this. They refused to recognise the right of the Corporation to compel salesmen to sell to people to whom they did not want to sell; and appeal followed appeal till, finally, the House of Lords declared that the by-law was competent, and that the Corporation was entitled to enact it. The boycotters then ceased to conduct public auctions, and sold their cattle in private rings. The problem of supplies of meat for the Co-operators was one which had to be solved by the

Wholesale Society. Local societies began to buy from local farmers, and the fleshers and salesmen did their best to organise a boycott by the farmers. In that they failed. The Wholesale Society's cattle buying department was a valuable asset to the Co-operators in the large towns. The head of the department—Mr W. Duncan—had put the resolution of the fleshers to the test, and had bid £20 for an animal at the "anti-Co-operative sale," to which we have already referred. The bid was refused on his giving an affirmative answer to the question: "Do you represent the Co-operative Wholesale Society?" An action for damages was taken by the society against Mr Roderick Scott for his refusal to accept the bid; but, as that was prior to the passing of the by-laws, the case went against the Society. An action was then taken against the Fleshers' Association for conspiring with the cattle salesmen to damage the trade of the S.C.W.S. by refusing bids, but the case was dismissed by Lord Kincairney in 1897.

In the meantime, the Wholesale, while seeking to uphold its legal rights, had not neglected practical measures. Direct weekly consignments of cattle were arranged for in Canada; and these, arriving regularly, enabled the societies to meet the demands of their members. The Wholesale Society discharged its duty admirably. Its resources were taxed because a number of retail societies, that had found it more convenient to purchase at local markets, were compelled by the boycott to purchase through the Wholesale Society's buyers. The Wholesale was equal to the occasion. It had to enable the retail societies to sell the best quality of beef, as they had been accustomed, at prices which would enable them to compete with private fleshing shops. At first this involved some little loss, but the societies were able to keep their fleshing business going in defiance of the iron ring of boycotters, and, before long, the trade was as profitable as ever. The fleshers congratulated themselves in their public assemblies, but the success with which they were circumvented caused their mirth to have a hollow ring.

The net result of this boycott was that the inconvenience to which it was intended to subject the Co-operators of Scotland affected the whole population of the industrial centres. The dispute destroyed Glasgow as an open market. For months and for years afterwards the revenues from sales were so far short

of meeting the expenditure upon the market that very heavy losses were recorded in the municipal accounts. Canada and the United States practically stopped sending cattle to Glasgow. There would, of course, have been a decrease in the number of foreign cattle arriving, because, in 1896, the Government imposed restrictions upon the importation of cattle arriving at British ports, by enacting that animals, which were formerly sent to the fields to be fed and fattened must be no longer used that way lest they might infect home herds with disease, but must be slaughtered before they were removed from the wharf of disembarkation. This would have led to a diminution of the supplies, but it would have affected all ports engaged in the cattle trade. The detrimental effect of the boycott was proved by the fact that many of the cattle formerly consigned to Glasgow were consigned to Liverpool and London; and Mr Roderick Scott, at a meeting of the Glasgow Town Council, in the writer's own hearing, admitted that the strife had the effect of increasing the price of beef by ½d. per lb. It had also the effect of increasing the municipal rates by 1½d. per £ to make good the loss of municipal revenue occasioned at the city's wharves and markets. This extra ½d. per £ in prices was due to carriage having to be paid from Liverpool, and it was calculated that the loss to the citizens on this account equalled £300,000 per year. The loss on the cattle wharves through falling revenue in one year alone was £21,000. In addition to that Mr Roderick Scott admitted that shipowners lost about £100,000 a year in freights. So that the whole city suffered heavily from the boycott. From a commercial point of view, the Co-operators had not much to complain of eventually. The Wholesale organised its trade to such excellent purpose that the meat trade of the societies began to grow enormously; and, from that period, it was no uncommon thing to find people who were not members of the store purchasing their meat there, and becoming members because of the excellent quality of the meat sold in the stores. It is doubtful if there is a single society in the West of Scotland which has not had that experience.

The boycott had another effect. It created such a wave of loyalty on the part of Co-operators determined not to be beaten; it led to such widespread discussion of the respective merits of Co-operative and competitive trading; and it aroused so much

general resentment against the tactics of the traders and fleshers—even in the editorial columns of the newspapers—that it increased the membership, capital, and trade of the societies very considerably. For example, the trade of the Wholesale Society alone for 1897 showed an increase of 15·2 per cent. over the trade of 1896. The trade of 1896 was 10·8 more than that of 1895; and 1895 showed an increase of 12·8 over 1894. The trouble had begun in 1895, and reached its climax in 1897. The trade of the Wholesale for 1897, in sterling, was £1,349,272 more than for the year 1894. In other words the increased trade derived by the S.C.W.S. during those three years when the opposition was so bitter exceeded the total amount of annual trade reached after sixteen years' operations. How the societies in Scotland generally were affected may be gathered from the fact that, in 1894, their total membership was 229,409, the capital held by them was £3,596,516, and their total sales combined were £10,115,126; the corresponding figures for 1897 were respectively 276,053, £5,323,923, and £13,669,417; or, to summarise, those three years brought increases of 46,644 in membership, £1,727,407 in capital, and £3,554,288 in trade. As a corporate body, it will be admitted, the Co-operators had little to complain of.

A more audacious challenge came to the Wholesale Society from people of bigger calibre than the fleshers or the shopkeepers, although the challenge was no doubt prompted by these smaller fry. Fortunes had been spent in advertising soaps of various brands by some of the largest firms of manufacturers in the country. These firms, not content with fixing the price that their customers must pay for their soap, also fixed the price at which their customers must sell the soap to the people who supported their shops. There was a standard retail selling price for some of these brands, and Co-operative societies, we believe, kept to that price as other people did. The proprietors of the stores, who were, of course, the people who bought the goods in the stores, believed they had a right to do as they pleased with their profits, and the profits on their soap trade went into the dividend as did the profits on their butter trade. It was very probably owing to the representations of shopkeepers that the firm in question attempted to lay down the ultimatum that no dividend must be allowed upon soaps of its brands. It

was an absurd position to take up for two reasons. In the first place, the profit would continue to be made on the soap; and, if dividend was not to be paid on soap purchases, the dividend available for distribution on general purchases would have been proportionately larger, and the net result to the purchaser would have been the same. It was also absurd, in view of the protests that commercial men have raised against the entire system of controlling prices, to which the Government has had recourse during the war, because one of the excuses for the making of millions of excess profits has been that the people engaged in trade were forced to make profits in spite of themselves, and that the control of prices therefore meant that the public were compelled to pay more than was necessary for their goods. Many of the arguments used by traders since the war began have disposed of the arguments they were accustomed to use before the war.

The attitude of the Co-operators was one of resentment when this firm attempted to lay down the law as it did; and the Wholesale Society's reply was to close the account with the firm rather than submit to its dictation. The English Wholesale had begun soapmaking on a big scale in 1891, although it had been doing a little from 1874, and the two Wholesales saw eye to eye upon the need for resenting interference of that kind. The shareholders backed up the Wholesale directors, and a number of the societies stopped selling the products of the firm in question. The movement was determined that their collective power would be used to prevent the millionaire soapmakers from adding to their profits at the expense of the working-people for whom the societies catered. What could be spared of the products of the C.W.S. works at Irlam was taken by the S.C.W.S., and eventually the S.C.W.S. established its own works at Grangemouth, where remarkable success has since been achieved. The soap manufacturers made every effort to prevent these works from succeeding. The system of giving presents, or prizes, for soap wrappers, a system that showed to what depths competition had sunk, was extensively developed and extensively advertised. It had the effect of retaining custom for the big firms for a time, but the absurdity of the system at length appeared to people, who recognised that the presents could only be paid for by the people who bought the soap; and Co-operators

were among the first to see that the truer economy was to abstain from making profits for the soap kings, and to buy bicycles or whatever other presents they wished with the money they saved. The support given to the Wholesale by the retail societies in this matter reflects the greatest credit upon many of them. Some of the largest societies, societies that did a very considerable trade in the popular brands, resolved that they would not sell these brands in the stores, and that, if members would ask for them, they would be advised to take their own makes from their own works. One of the most interesting stages of the fight was when a society would have notice of a resolution printed on the agenda for its members' meeting. Frequently, in such cases, there would be a special staff of advertising agents, bill deliverers, and sample distributors put on to the district concerned by several of the largest firms in the trade, in order to secure the defeat of the motion. When societies did pass a resolution to exclude these soaps from their stores there were always some members who still wished to procure supplies; but they had to find them elsewhere. They argued that it was the duty of a Co-operative society to provide what its members wanted; but the loyal members replied that it was not the duty of a Co-operative society to use its stores for the sale of goods made by firms who were out for the purpose of rendering Co-operative productive factories unprofitable. In most cases, resolutions to confine the sales to Co-operative productions led to a slight falling-off in the sales of soap; but in most cases, also, it happened that that was only a temporary state of things, and in the end the Co-operative productions came into their own. On the whole, the societies handsomely backed up the Wholesale's acceptance of the challenge of the big producers, and the Grangemouth soap works are now the largest soap works in Scotland, producing exclusively for the Scottish trade.

Despite all these efforts to restrict Co-operative progress, and despite the added responsibilities that these challenges imposed upon the Wholesale, the Wholesale Society forged ahead, and carried the whole movement to fresh achievements in the realm of production. The Ettrick Tweed Mills, started at Selkirk by a few Co-operative enthusiasts who formed the Scottish Tweed Manufacturing Society in 1890, was purchased by the S.C.W.S. in 1896. The Wholesale had been purchasing

almost the whole of the society's productions, and it seemed only natural that, under such circumstances, the Society should own the mills. The matter was amicably arranged at last, although there were a few strenuous Co-operators—Mr W. E. Snell, for example—who were opposed to the idea, and who thought the mill should still be carried on by the Tweed Society. A waterproof factory was established in June 1896, in which a highly successful trade has been built up for the societies connected with the two Wholesales.

The tobacco factory was extended to double its productive capacity in 1897, and the cabinet factory was also extended in the same year. One of the most important productive ventures was the purchase of the Junction meal and flour mills at Leith, which had belonged to Messrs John Inglis & Sons. The mills there had equipment for the production of 700 bags of oatmeal weekly, the flour mill being set aside then for the preparation of semolina and kindred foodstuffs. The directors secured with the mills about an acre of ground, upon which further productive departments were erected later; but there still remained the desire for a flour mill in the West of Scotland, for which there was ample work. A year later saw the opening of the butter factory at Enniskillen, with four auxiliary depots for the collection and separation of milk. The aerated water factory was commenced at Glasgow in October 1897, and a similar factory was opened at Leith in 1898. A creamery, established at Bladnoch, Wigtownshire, was opened in February 1899, and there was laid the foundation of what promised to be an extensive margarine factory. One of the most important departures of the year was the establishment of the fish-curing station at Aberdeen. This department has succeeded admirably. The first station had to be enlarged soon after it was opened. The next extension required was so large that a new site had to be found, and a new building erected, and even that became too small in less than two years. The department, with the financial resources of the Wholesale behind it, can secure always the pick of the fish, and goods to the value of over a million and a quarter have passed through it since it was established.

This is surely a wonderful record of productive developments* to follow upon a period of virulent boycott; but distributive

* For details see Descriptive Section.

developments had also taken place. The Carbrook Mains Farm was leased for the stocking of cattle. Property in Chambers Street, Edinburgh, was purchased for a branch of the furniture department, and was formally opened in 1898; ground was purchased in Paterson Street and Dundas Street, Glasgow, for factories and stables. The biggest venture of all was the purchase of the old fair ground in Morrison Street, between Crookston Street and Clarence Street, upon which were erected the magnificent buildings which constitute the headquarters of the great federation.*

The new building, one of the most ornate in Glasgow, was opened with great ceremony on 2nd January 1897, and the demonstration that took place directed public attention, in a remarkable way, to the great strength of Co-operation in Glasgow. The proceedings took the form of a huge procession of over 300 vehicles, in the foremost of which were seated directors of the Scottish and English Wholesale Societies, members of the Scottish Section of the Co-operative Union, representatives of the district Co-operative conference associations, and delegates from many Scottish societies. Messrs R. Holt, T. E. Moorhouse. J. Clay, J. Goodey, G. Binney, and T. Rule represented the C.W.S.; Mr C. Fielding represented the tea department; and Mr Jackson represented the C.W.S. boot department. Mr S. Kenyon represented the Central Board of the Co-operative Union, and Mr M. Haworth represented the Co-operative Newspaper Society. Following the vehicles carrying the officials and delegates were decorated lorries representing the numerous departments of the S.C.W.S. and the various productive and distributive societies in the city. It was the most remarkable demonstration that had taken place since the launching of the Co-operative lifeboat, although January is not a month which readily attracts people to outdoor demonstration. An interesting fact recorded in the *Co-operative News* report of the scene is that the van of a local biscuit manufacturer got in line with the procession, "but the reception accorded to this individualistic intruder was anything but flattering." The procession paused in front of the new building, where a number of the more prominent guests dismounted with Mr Maxwell, the architect, and the S.C.W.S. directors. Mr

* See Descriptive Section, "The Central Premises."

Maxwell formally declared the premises open for Co-operative purposes amid the cheers of the thousands congregated there. Mr Daniel Thomson presided at this part of the proceedings. Mr Bruce, of Messrs Bruce & Hay, architects, presented Mr Maxwell with a beautiful gold key with which he formally opened the doors, and the delegates crowded in to inspect their new premises. About 800 afterwards sat down to dinner at which Mr Maxwell presided. There was a note of jubilation in his tone when, in proposing "The Queen and the People," he said: "Step by step, through many doubts and difficulties, the Society has won its way, not only into the confidence of Scottish Co-operators, but into the confidence of the commercial world at large. *Its name on any market is synonymous with absolute security and untarnished honour.*" Among the orators on that occasion were some—living and dead—whose names are still cherished: James Deans, Henry Murphy, Peter Glasse, John Pearson, John Gemmell (of Paisley), Duncan M'Culloch (of the U.C.B.S.), M. Ross (of Cowlairs), Andrew Miller (then secretary of the S.C.W.S.), Isaac M'Donald, and John Adam (of the S.C.W.S. board), the C.W.S. directors; and the Glasgow Corporation was represented on the toast list by Bailie Alexander Murray and Bailie Primrose—afterwards Sir John Ure Primrose, Bart.—both of whom spoke very cordially.*

It will be admitted that the strides made by the Wholesale in the decade which followed its coming of age were remarkable. To have increased the annual turnover from £2,273,782 to £5,014,189, and to have plunged into so many productive schemes of considerable magnitude was sufficient to startle even Co-operators themselves; for it did seem remarkable that the value of the productions transferred from the Wholesale's factories should have reached so high a figure as a million per annum. The traders had proclaimed a holy war against the movement; the butchers had resolved upon the closing of the fleshing departments of the stores; the soap people had challenged the Wholesale. Every challenge had been accepted. Almost every new productive department established by the Wholesale meant that other makers of goods which these departments turned out offered preferential terms to Co-operative societies—it was so even with margarine when Bladnoch was opened—but it made

* For description of the interesting procession, see Appendix.

the Co-operators wonder why the same terms could not have been given before. During that decade it fell to Mr Maxwell's lot, half-year after half-year, to point to the balance-sheet with its unbroken record of successes and increases, and to say, as he did more than once from the presidential chair: Thus do the Co-operators of Scotland answer their opponents.

XI.

THE SOCIETY CARRIES ITS FLAG OVERSEAS.

A NEW CENTURY'S AUSPICIOUS OPENING—DIRECTORS GIVE FULL-TIME SERVICE—BUSINESS EXPEDITIONS ABROAD—LIMITATIONS ON FOREIGN MISSIONS—PARTNERSHIP BETWEEN THE ENGLISH AND SCOTTISH WHOLESALES—THE TEA ENTERPRISE INITIATED—SUCCESS IN A HIGHLY COMPETITIVE TRADE—A BOLD VENTURE IN CANADA PROPOSED—THE PIONEER STEPS IN THE GOLDEN WEST—AN OLD STALWART JOINS THE MAJORITY.

In the opening decade of the new century the Wholesale Society made strides which improved the position of Co-operation in Scotland enormously. The directors were in an excellent position to face bigger developments than had hitherto been attempted. In the first place, capital had been growing steadily, and at the end of 1900 it amounted to more than a million and a half, of which a quarter of a million represented shares that were transferable and not withdrawable owing to the decision of 1894 to increase the value of the share from fifteen shillings to twenty shillings—the figure at which it still remains. Delegates at quarterly meetings, and delegates at Co-operative conferences, were frequently complaining that the capital ought to be utilised to a greater extent in Co-operative productive enterprises, and while the official view of the board was that the surplus capital which was being lent to municipal and other local authorities for social purposes was lent on remunerative terms, it was a point that was frequently and legitimately disputed ; and the directors themselves agreed that the money would be better utilised if invested in Co-operative undertakings. An important change in the management of the Society had been effected. We have already mentioned the trifling rates of remuneration given to the directors, in the early days of the Wholesale, for their services to the Society and to the movement. Although the question of the duties and emoluments of the directors formed the text of a remit to more than one special

committee, the shareholders declined, steadily, to display any lavish generosity upon them, and till 1899 their remuneration was paltry considering their responsibilities and the calls made upon them to leave their ordinary employment in order to attend to the business of the Society. In 1899 they were allowed a retaining fee of £20 per annum, with a special fee of 10/6 per full day spent on the Society's business and 5/3 per half-day. In the case of the secretary, the retaining fee was £30 instead of £20; and the president's retaining fee was £40. Despite these miserable rewards, it must be confessed that the directors threw themselves into the work of the Wholesale Society with amazing fidelity and zeal. These conditions, however, hampered the Society. When all was said and done, it was the directors who were responsible to the members for the success of the business; it was they who had to weather the storm at the shareholders' meeting if a society had a complaint to make or if a department showed a loss. The directors could not live upon these emoluments; and while that was the case it was necessary for them to devote some time to their own occupations; and it was at length recognised that it was quite possible that they might have to be so occupied when the Wholesale's interest had urgent need of their attention. In 1899, therefore, the shareholders made a change. They put the directors upon a footing which gave the Society the first call upon their services; and it was decided that the president should be paid at the rate of £300 per annum, that the secretary should receive £250, and that the salaries of the other members of the board should be £200 each. Even at that the total expenditure of £2,550 on the salaries of directors responsible for the conduct of a business with over 5,000 employees and doing an annual trade exceeding five millions was not on the side of extravagance. The explanation of the figure fixed, however, is not far to seek. It is given almost every time it is proposed to increase the salaries of the directors. In 1899 the bulk of the members of the Co-operative societies would probably have wages ranging between 20/ and 30/ per week, and they seemed to think £200 a year a sufficient return for a fellow-workman who had escaped from the bench or the workshop to the boardroom. The important fact, however, was that the directors were by that decision made full-time

employees of the Wholesale. That had a stimulating effect upon the board, and there were early evidences of the advantage to the Wholesale.

There were, naturally, ordinary developments upon a small scale. The erection of another aerated water factory—the third—at Stirling, in 1901, was one of the first of these. The shirt factory, the significance of which we have already referred to, had grown, and the production of dress shirts, which was carried on in a factory in Leith, erected upon part of the site bought when Junction Mill was erected, was another. The chief development, however, was that which led to the planting of the Wholesale's flag overseas. To deal with this development it is necessary for us to turn back a little. We have already told how Mr Maxwell in 1884 made a visit to America in company with directors of the English Wholesale Society. The result of that expedition, for which Mr Maxwell acted as secretary, was the establishment of trading relations which enabled the Wholesale Society to supply its members with all classes of flour that they required. The expenses of the mission were met out of a fund established by the two Wholesale Societies and known as the American reserve fund. All were delighted to see Mr Maxwell back when he appeared in the chair in June 1884; but, at a subsequent meeting of the shareholders, when the expenses appeared in the balance-sheet there was a good deal of discussion—as there has frequently been since, when such deputations were being reviewed. The bill on that occasion had to be paid, and the upshot of the discussions was that a resolution was finally passed prohibiting the board from expending more than £20 upon any mission of this kind without first obtaining the approval of the quarterly meeting. This was intended as simply a discretionary resolution calculated to prevent unnecessary profligacy; but it had the undesirable effect of holding back the directors when occasion arose later for missions of a similar character. The C.W.S. had established its Rouen depot in 1879. A depot had been established at Copenhagen in 1881, and another at New York in 1886. In all of these the S.C.W.S. had a friendly interest, and goods were bought by them for the two Wholesale Societies, the S.C.W.S. paying a small commission to the sister federation. A depot had also

been opened in Hamburg in 1884. The decision of the Scottish Wholesale meeting prevented the directors from taking part in a deputation which the English Wholesale Society found it necessary to send to the Orient to make arrangements for an extensive trade in dried fruits—currants, raisins, etc. The organisation of the dried fruit trade had been discussed by buyers and directors, and Mr Maxwell was an eager advocate of steps being taken to enable the Wholesale buyers to get right to the source of supply in view of the fact that a great many obstacles were being put in their way. Later, when a similar mission was despatched to Spain to organise fruit supplies, the S.C.W.S. were not able to send a representative in company with the C.W.S. directors because of this resolution which stood in the books, and because the time for making the visit would have passed before the next quarterly meeting took place. In 1894 Mr Maxwell paid another visit to the United States and Canada, when a joint agent for the two Wholesales was established at Montreal. Mr Adams, a director of the Wholesale in 1896, had gone on an expedition to the Continent, in connection with the enamelled ware trade, with Mr Miller of the furnishing department. The following year Mr Daniel Thomson, one of the directors, was on an expedition to America, particularly in connection with tinned foods and with the object of enquiring whether it would be possible for the two Wholesale Societies to establish a fish canning centre on the Columbia river. It was not deemed advisable at that time to take such a step, but the deputation which represented the two Wholesale Societies recommended the appointment of a responsible agent whose duty it would be to inspect the fish bought for the Wholesale Societies in order to ensure that the finest qualities only would be sent. In 1889 Mr Isaac M'Donald was one of a joint deputation to Denmark and other Continental depots. Frequent deputations were also sent to America in connection with supplies of raw material for the boot factory; to Scandinavia, where enormous supplies of paper, straw boards, and other material required in printing and bagmaking departments were purchased; deputations to France in connection with millinery goods; to Germany in connection with a variety of products with regard to which the directors deemed it essential to satisfy themselves as to trade union conditions,

wages, and the character of the establishments in which the goods they were buying were being produced. In short, every productive centre, whether agricultural or industrial, was visited and explored in the interests of the Co-operators of Scotland. In all these missions there was no step taken which could be regarded as a productive enterprise. Generally it meant the opening up of trading relations with those who conducted their business in a fashion which commended itself to the Co-operative conscience. At most it meant the opening of a depot, or the appointment of an official representative or agent.

Up till the beginning of the decade with which this chapter deals particularly, the business relations between the two Wholesale Societies had been based upon an *entente cordiale* rather than upon an alliance—to use the phraseology of the war period—and in order that their business relations might be put upon a more regular basis a legal partnership between the two Wholesale Societies was drawn up, signed, and sealed in December 1901. The partnership governed particularly the tea business: the English Wholesale Society contributing three-fourths of the capital and having three-fourths of the representation in the tea committee, the Scottish Wholesale Society contributing one-fourth of the capital and having one-fourth of the representation in the management committee. The ink of the deed of partnership was scarcely dry when the Co-operative movement became the owner of tea estates in Ceylon. It is well, however, that we should see exactly where Co-operators stood in the tea trade when that enterprise was launched, and Mr James Haslam, of the C.W.S. publicity department, puts the matter before us in the following terse account.

At the time the two federations of the movement decided to invest capital in tea-growing land in the Far East, it might have seemed a doubtful and speculative enterprise in which to involve the hard-earned savings of the working-classes of the United Kingdom. But it was a policy of foresight and courage as well as of necessity. That, as will be seen from under-mentioned dates, was in the early 'eighties, when Socialists with their doctrine of the ownership and control of the means of production, exchange, and distribution by the people, or the

State, were condemning the existing system of capital and labour with its deplorable social inequalities. Whilst the Socialists were *condemning*, however, the seers of Co-operation were *constructing* on the principle of the collective use of capital. This was, and still is, the most effective way towards economic justice and social reconstruction. A Co-operative member whose experience and knowledge of the world's commerce did not, perhaps, extend beyond the limits of the workshop, was rather dubious about entrusting the savings of his fellows in activities so far away from home. But it was the beginning of a policy which was indispensable to the success of the future trading of the movement, and if there is anything for Co-operators to regret about it to-day, it is that it has not been applied more vigorously and comprehensively. The great war-time circumstances, through which we have just passed, have shown beyond all possible doubt that the most important and essential factor in Co-operative trade and commerce is the ownership of the sources of raw material.

The principle of joint ownership since then has rightly spread to other operations ; and the necessity of drawing raw materials for Co-operative manufacture and consumption has been applied in other parts of the world, including Canada, the United States of America, British West Africa, as well as in connection with industries at home. This tendency may have to be enlarged and strengthened against the growing forces of vested interests.

At the Derby Co-operative Congress in 1884, E. Vansittart Neale, one of the best advocates of Co-operation in the history of the movement, said : " Man is a spiritual being, and it is impossible for him to be enthusiastic about the price of tea and coffee." That, nevertheless, was an overstatement of the case. The adversaries of the Co-operative movement, the multiple shop companies, have proved this on more than one occasion. At any rate, the people are interested in the price of tea and coffee, and are none the less concerned about the quality. Ideals and material necessities must be made to blend, or, if kept apart, one or the other will topple over.

The initial joint considerations of the two Wholesale Societies respecting tea take us first of all to London. The tea trade of the movement, by the movement, began in Hooper Square,

off Leman Street, on 1st November 1882. By March of 1883 it was recorded as a success, and this was further emphasised in June of the same year. In the following month, a " P. & O." steamer arrived at London, the world's great tea mart, with a large consignment of China tea for Co-operative societies. This was an event which Co-operative speakers and writers of the day heralded with considerable hope and enthusiasm. It created a stir among the tea men of London. Perhaps they saw in it more than less experienced Co-operators could perceive. In those early days of Co-operative production and expansion, the progress of the tea trade had the effect of bringing together, for joint action, the S.C.W.S. and the C.W.S. It was owing to the conditions then ruling this business, and the practices and attitude of other dealers, that the first joint meeting was convened, this taking place at Leicester on 18th May 1882. Federation had been previously discussed and decided, and it was in this year (1882) that the two Societies began to blend tea and distribute it. For the last seven weeks of the year the sales amounted to 288,579 lbs.

Advancement followed. The palatial tea premises in Leman Street were opened on 2nd November 1887. The original building of the joint tea department had been destroyed by fire (in December of 1885), the damage being £36,000, of which £28,600 was recovered from insurance companies. For many years there was an uphill fight with dealers and merchants who gave prizes with tea, consisting of crockery, jewellery, furniture, and all kinds of ornaments attractive to the deluded purchasers. Tea buying was the joke of the day in the 'eighties of the past century in industrial towns where Co-operators were thickly gathered together. In moments of hilarity it was assumed that with a pound of two-shilling tea one could obtain a piano. just as it was assumed, as previously mentioned, that similar rewards would be born of soap coupons. At any rate, it became an exciting trade, and some of the commercial tea houses advertised schemes by which buyers of tea could procure old-age pensions.*

The working classes fell to such dodges, and the S.C.W.S.

* On one of these schemes the Law Courts in 1905 made a declaration which may be regarded as the death sentence on similarly absurd and reckless schemes. See Chapter XV.

and the C.W.S. had to face the gigantic task of wooing back the people to honest trading, although many societies had to imitate the prize tea distributors in order to keep their members. Eventually the cut-throat competition drove the joint Co-operative tea committee to consider a wider policy. Hints were thrown out that they should not only sell tea, blended in their own warehouse, but that they should grow it. Propositions to buy plantations in Ceylon were reintroduced in the early 'nineties. Motions to begin this enterprise were listened to very dubiously for a long time, and usually collapsed for want of courage and faith. A visit was made to India by a deputation from the C.W.S. to inquire about the business of tea growing, though nothing worth speaking of came of it. But the spirit which had originally prompted the enterprise was unconquerable, and the first tea estates were purchased in 1902, these being known by the name of Nugawella and Weligango, consisting of 399 acres. The yield in the first year was 84,252 lbs. The price of the estates was £9,820. The S.C.W.S. and the C.W.S. were joint owners; and it was the first industrial venture overseas over which the S.C.W.S. flag floated.

The question of opening up a special connection in Canada for the purpose of getting nearer the producer had been brought before the annual joint meeting of the directors and buyers of the S.C.W.S. more than once; but, after a report had been received from the S.C.W.S. representatives across the Atlantic, it was deemed advisable that nothing further should be done for a time. Conditions changed, however. The continued growth and developments of the North-West of Canada as a wheat-producing country, and the establishment of a grain market at Winnipeg, altered the whole conditions of supply affecting a particular quality of wheat of which the co-operators were large consumers. By 1905 the Wholesale mills were grinding about 72,000 bushels of wheat per week. Of this amount 50,000 bushels could be Canadian; but supplies were interfered with by cornering speculators, who held up supplies for prices as exorbitant as they could force people to pay. Another factor which affected the price was the number of unnecessary agencies through which transactions had to pass before the wheat finally reached the Co-operative millers.

The grocery committee of the Wholesale raised the whole

question again in 1905 at a meeting of the directors; and the result of the deliberations of the board was that Mr W. F. Stewart, the commercial manager of the Wholesale mills, and Mr T. C. M'Nab, one of the directors, were commissioned to proceed to the United States and Canada to investigate and report on the whole question of wheat supply on the spot, with a view to the S.C.W.S. procuring supplies as direct as possible from the producers, or even of becoming producers themselves. The deputation sailed from Scotland in September 1905. They visited Montreal, Ottawa, Toronto, Buffalo, and Winnipeg, interviewing railway officials, Government officials, emigration agents, and land agents, and they made a scrupulous investigation of the whole of the conditions affecting the grain trade and the land system. The deputation spent the whole of October of that year making their inquiries on the spot, and on their return submitted a report, in which a number of valuable recommendations were made, nearly all of which have now been given effect to, at least in part. The recommendations briefly were embodied in the conclusion of their report, which read as follows:—"Having traced the whole system of wheat handling, from the farmer in Canada to the buyer at this side, we are firmly convinced that the time has now come when we should open a branch at Winnipeg. Other firms have found it advantageous to do so, and we are further of the opinion that the proper development of such a branch is the establishing of elevators, so that the wheat can be brought direct from the grower; and we strongly recommend that the said branch should be established before the next harvest. Should the recommendation to establish a branch at Winnipeg be adopted, New York and Montreal branches would be utilised to secure the necessary freight room in the regular steamers; and, with the supplies of wheat to take up same, a considerable saving would be effected in present methods. Going further into the question of direct supply, and after studying the land question in all its bearings, we strongly urge that steps be taken without further delay to secure, at least, 100,000 acres of land from the Saskatchewan Land Co. as offered. We are thoroughly convinced that the adoption of these recommendations would prove of immense benefit, not only to the milling department of the S.C.W.S., but also as a safe and profitable investment for the surplus capital of the movement."

The report was considered for some time by the directors, who remitted it to the finance committee. Correspondence ensued between the board and the representatives of the Government in Canada, and an option had actually been given on a piece of land at a given price. It was a big venture to contemplate, and meant locking up a considerable amount of money in an investment so far away. In any case, before the directors had made up their minds that the circumstances warranted the expenditure, the time within which the land could be had for the price offered had expired, and the opportunity was gone. The delegates at several of the meetings criticised the directors for having allowed the chance to slip, but the directors claimed that their decision had prudence to commend it. While they did not carry out the recommendation of the deputation with regard to the purchase of the land, other recommendations made by the deputation were given effect to almost at once. The first step was the establishment of the proposed depot in Winnipeg, in order to organise the supplies of wheat required in this country. This was opened in August 1906. Mr George Fisher, who had been for a long time assistant to Mr Stewart in the mills department, was appointed to undertake the work there; and Mr Macintosh journeyed over to superintend personally the inauguration of the book-keeping system, and to complete the financial arrangements—Mr John Stevenson, of Kilmarnock, one of the oldest directors, accompanying him. The extensive purchase of wheat throughout the Golden West, in such quantities as the Wholesale Society required, necessitated a further step—the provision of elevators in which the grain, when bought, could be stored pending transport or shipment. The first of the Society's elevators were erected in 1908. These have been extensively added to since, and the Winnipeg depot, prior to war breaking out, received 14½ million bushels of grain for shipment to this country. The original elevators were planted along the railway trunk lines, but the Society has gone a step further, and there is presently in prospect the erection of huge terminal elevators, from which the wheat may be shipped at the ports. The Winnipeg venture has proved an enormous boon to the Co-operators of Scotland, as will be shown in a later chapter. Various other deputations went to Canada in connection with the wheat trade, and in connection with also the tinned meat trade,

the leather trade, and various other concerns in which the movement was interested. But the question raised by Mr Stewart and Mr M'Nab was raised again in a definite form in 1915 by a deputation, which consisted of Mr W. F. Stewart again, Mr Paisley, the manager of Chancelot Mill, and Mr W. R. Allan, a member of the board, who recommended once more the purchase of from 50,000 to 100,000 acres in Canada for wheat growing purposes. This recommendation was discussed more vigorously than that formerly arrived at by Mr Stewart, and, on this occasion, the recommendation was received very much more favourably. The whole question of wheat was now beginning to agitate the directors of the English Wholesale Society also; and, before any final settlement was arrived at, it was arranged that the whole question of wheat buying in Canada, and the question of joint ownership of the S.C.W.S. depot at Winnipeg and the C.W.S. depot at Montreal and New York might be considered at the spot by a deputation representing the two Wholesale boards. The Scottish Wholesale Society was represented on this commission by Messrs Stirling and Bardner. After an extended visit to Canada and the States, they came back more enthusiastic than the first deputation for the purchase of land. When the joint deputation returned from the States and Canada, the two boards agreed to defer, for further consideration, the question of joint ownership of the Overseas depots until more normal times arrived; but it was mutually agreed to purchase 10,000 acres of land known as the Wietzen Farm, near Saskatoon, it being expressly stated in the joint minute that this was to be "a first instalment of co-operatively owned land in Canada." This step is recorded here a little in anticipation of its proper period; but it is not out of place, because it is the partial fruition of the efforts of Mr Stewart and Mr M'Nab, whose investigations led to the establishment of the Winnipeg depot, and whose report gave rise to highly interesting discussions throughout the movement with regard to the ownership of the land. The purchase of the Weitzen Farm was completed in December 1916.

Thus was the S.C.W.S. flag first carried overseas—first to Ceylon and then to Canada. It floats now in Africa; but that is another story, which must do credit to its own decade in this history.

Reluctance to interrupt the record of the events which led the Society overseas has compelled us to defer till this late part of the chapter an event of more than passing importance. The Society's second manager, Mr James Marshall, who had succeeded Mr Borrowman when the Ironworks trouble was most acute, retired in 1902 from the service which he entered in 1868 as grocery buyer. He had been manager from 1874, and had filled the responsible post for twenty-eight of the thirty-four years he had been employed by the Wholesale Society. The occasion of his retirement was marked by two appropriate acts. One was the presentation to him of a purse of sovereigns and a handsome escritoire from his old friends and associates. The other was the voting, by the Society, of a retiring allowance of £150 per annum.

Many graceful tributes were paid to Mr Marshall at the two meetings at which these evidences of esteem and appreciation were given. At the quarterly meeting in May 1902, at which the directors recommended the granting of the pension, Mr Maxwell said it would be very difficult for him to tell the meeting what a tower of strength Mr Marshall had been in the early days of the Society. The pension was voted, although not unanimously. It is only fair to put it on record, however, that those who opposed the board's recommendation were not actuated by a lack of appreciation of Mr Marshall's services, for everyone was ready to acknowledge what the Wholesale owed to his strength of character and to his conscientious devotion of an able business mind to the great undertakings with which the Society was concerned. The reluctance of the few to grant the pension was due simply to a desire to have all employees of the Society put on the same level. The directors had no objection to that ; but Mr Marshall's resignation after all those years of service, a step almost forced upon him by an affection of the eyes, took place before any general scheme of pensions was formulated. In any case, the decision in favour of Mr Marshall was wholehearted, and those who hesitated to vote for it for the reason stated included some of his sincerest admirers. He was the second and last manager appointed by the S.C.W.S. He lived in retirement till 1907, when he died at his residence in Glasgow, on Saturday, 8th June. The flags at the S.C.W.S. flew at half-mast on the following Tuesday, when

Shieldhall visited by Delegates to the Glasgow Congress (1913) of the International Co-operative Alliance, representing 19¾ million Members of 125,887 Co-operative Societies in twenty countries.

DISTINGUISHED VISITORS AT SHIELDHALL

Left to Right—Wm. Maxwell, J.P.; Right Hon. Earl Grey; Right Hon. George Barnes, M.P.

Left—Mons. L. Helies, France.
Right—M. Victor Museteeno, Roumania.

the remains of the old veteran were laid to rest in the Craigton Cemetery. The funeral was private; but Mr Maxwell, Mr Pearson, and Mr Stevenson represented the directors of the Wholesale; and Mr Marshall's fellow-employees were represented by Messrs R. Macintosh, E. Ross, A. Gray, W. Miller, D. Gardiner, and W. F. Stewart, all of whom had worked with him for many years; and by Messrs A. Black and R. Gow, who were intimately associated with him. It was a first great breach in the family, so to speak, for Mr Marshall had been in the service almost from the beginning. He took over the managership when the Wholesale's trade for the year was no more than £384,000; he laid down his command when its annual sales exceeded £6,000,000. What thoughts he must have had when he contemplated the progressive steps which led to that change we can only leave to the imagination of the reader. Those who assess the utility of the S.C.W.S. at its full value, and who have gathered something from these pages of the magnitude of the crisis from which James Marshall helped to extricate it, will endorse the lines which concluded a farewell message written by Mr Miller, the manager of the furniture department, when the old pilot left the ship:—

> "When clouds appeared like darkest night,
> Then steadfastness of thee was born."

XII.

A CHAPTER OF MEMORABLE EVENTS.

THE SOCIETY ACQUIRES THE ARCHBISHOP'S MILL—LIKEWISE SECURES AN ESTATE AND CASTLE—DEVELOPMENTS AND EXTENSIONS IN RAPID PROGRESS—THE ESTABLISHMENT OF RETAIL BRANCHES—THE STATUS OF DIRECTORS CONSIDERED—A PROPOSED SUPERANNUATION SCHEME AND ITS FATE—DRAPERY SALES REACH A MILLION IN THE YEAR—POWER GIVEN TO PURCHASE COALFIELDS—DEATH CREATES FRESH GAPS AND BRINGS NEW MEN—MR MAXWELL'S SEMI-JUBILEE AND HIS RETIREMENT—TWO MEMORABLE MEETINGS.

ONE development of considerable importance to societies was the appointment, in 1903, of a cattle buyer in Ireland, to secure cattle as nearly as possible at the source of supply. In various other directions the supply of food was being attended to by the Wholesale; but, so far as the West of Scotland was concerned, 1903 was chiefly memorable for the purchase of Regent flour mill, on the banks of the Kelvin, within the city of Glasgow. As we have already pointed out, the intention of the directors was to establish two large flour mills—one in the East and one in the West; but, after the opening of Chancelot mills, nine years had to elapse before the desires of the Co-operators were gratified by the acquisition of the western mill. Industry had not been at a standstill during these years. The Chancelot mill opened with a plant to provide twenty-five sacks, of 280 lbs. of flour each, per hour. The Junction mill already mentioned, with a capacity of twelve sacks per hour, was opened three years later. The Chancelot plant had been increased to forty-two sacks per hour before the long-sought opportunity arose in the West. The Regent flour mill was acquired as a going concern, with mill, plant, warehouse, and everything in working order. The mill was not openly exposed for sale; but the directors got to know that it could be bought, and their inquiries were made so effectively and the negotiations carried through so admirably that the whole transaction, when

completed, occasioned the greatest surprise to Glasgow citizens.

The mill occupies a historic site. A mill had stood there for centuries, and had been known as the Archbishop's mill; and the Archbishop's mill and the site were granted to the Incorporation of Bakers of Glasgow in 1568 by the Regent Moray, who was then in conflict with Mary Queen of Scots. Mr James Ness, clerk to the Incorporation when the S.C.W.S. purchased the mill, furnished an interesting statement regarding its history. He briefly summarised a long story, and we summarise his. The traditional story (he said) is that on the camping of Regent Moray's troops at Langside prior to the famous battle, the bakers of Glasgow, from motives no doubt weighty, and, as events proved, judicious, made special exertions to supply his troops with bread: that on his return to the city after his victory, the gratitude of the "Good Regent" showed itself by a grant of the Archbishop's mill on the Kelvin, which had then become the property of the Crown, together with a piece of ground adjoining. In all probability the original grant was made to twenty-six persons, bakers in Glasgow, in equal shares, each share being known as a "mill-day," and the holder in his turn being entitled to a day's grinding at the mill. The shares of mill-days held by individuals were by four separate Dispositions, all dated in the year 1667, acquired by the Incorporation. In course of time the original mill underwent much alteration and extension. Part of it was rebuilt in 1818, and in 1828 the most extensive alteration took place, when the eastern portion of the old walls was taken down and rebuilt. In 1886 the mill was burned down, when the present structure was erected in its place. With the possession of the mills at Partick, the Incorporation of Bakers held the unique position of being the only incorporation carrying on business as an incorporation. This character it maintained till 16th August 1884, when it ceased to be—what it had been for well-nigh three centuries and a half—a trading incorporation. During the year 1883-4 there was a monetary loss of almost £250 in connection with the revenues the Incorporation derived from the mill. This was caused by the change which had now become general in the method of manufacturing flour. Hitherto wheat had been ground by millstones, but the new system of grinding by means of chilled iron rollers had been introduced

into nearly all the flour mills in the city and neighbourhood of Glasgow, and it was seen that unless the Incorporation were prepared to turn out the now antiquated millstones, and introduce at great cost the new and more expensive system of grinding by rollers, they must contemplate an annually increasing loss in working the mill. They had also to consider that very few of the members of the Incorporation were now making any use of the mill, the practice having become general for bakers to purchase the flour they used, rather than, as in former times, to buy the wheat and have it ground at the mill. In these altered circumstances the Incorporation, after much consideration, resolved that they could not continue to risk their fortunes in the exigencies of the trade, but would rather let the mill, which they did in August 1884. When the mill was accidently burned down in 1886, the Incorporation determined that they would not build it again, but dispose of the site, which was acquired by the then head of the firm, which, in turn, sold it to the S.C.W.S. The foundation stone, laid in 1828, was recovered in 1886 from the debris of the fire, and the contents of the bottles were replaced in the foundation stone of the present mill when it was erected by the late owners. The formal opening of the mill as S.C.W.S. property took place in 1904, the ceremony being performed by Mr Isaac M'Donald, and the celebrations being no less memorable than those which marked the inauguration of other great Wholesale establishments. The possession of the mill added 3,500 sacks per week to the Society's productive capacity, making a total milling capacity of 10,500 sacks per week. What the output is now will be seen in the article relating to the mills in the pages of the Descriptive Section.

In May of 1904 the Wholesale completed the purchase of the Calderwood Estate as a step towards agricultural developments. A few years before authority had been given to the directors to purchase two estates, one in Ireland and one in Scotland, chiefly for fruit growing purposes; but the Irish scheme was dropped. The Calderwood Estate was one of many offered; but the S.C.W.S., like a municipal corporation, had the reputation of being a wealthy body and eager for land, and the greatest tact had to be exercised in conducting negotiations with regard to purchases of this kind. On more

than one occasion, when authority had been given to purchase property or land for the erection of factories, difficulties were put in the way of the directors by those who felt tempted to advance prices and by those interested in keeping down the productive enterprises of the Wholesale. It was one of the penalties the Wholesale had to pay for its democratic provision which made it necessary for the directors to seek the approval of a quarterly meeting before committing the Society to any large responsibility. Eventually the estate, probably one of the most picturesque in the Scottish Lowlands, fell into the possession of the S.C.W.S. For five centuries the estate had been the seat of the Maxwells of Calderwood, the first head of which family was the second son of the fourth Baronet of Pollok, who, in turn, was the descendant of the first Maxwells who settled in Drumlanrig where, we understand, they came as English refugees from the Norman invasion. There was a sentimental interest attaching to the acquisition of the estate by the Wholesale Society in view of the president's nomenclature ; but there was a good deal of enthusiasm apart from that because of the possibilities in the direction of agricultural and horticultural pursuits. The estate comprised eight farms, besides the old baronial mansion-house, the romantic glen and countless beauty spots, and it covered an area of 1,125 acres, for which the Wholesale Society paid over £36,000. The estate, besides its agricultural possibilities, was described as being rich in coal, ironstone, limestone, sandstone, and whinstone. A grand outing, attended by about 700 delegates, took place in July 1904 for the twofold purpose of taking formal possession of the estate and of letting the representatives of the shareholders view the place they could then regard as their own. The future use of the mansion-house—the Castle, to give it its proper designation—gave rise to a crop of proposals. Some suggested that it might be used for a convalescent home, others wanted it to be set aside for a residence for the use of the beneficiaries of the Co-operative Veterans Association ; it was even proposed to make it an official residence for the president—though the president had no sympathy with that. It was decided to convert it into a Co-operative museum, and an attempt was made to stock it with objects of interest ; but it was unsuitable for even that purpose owing

to the distance from Co-operative centres, and the exhibits were all removed. There was also considerable discussion regarding the utilisation of the estate itself and the problem of making it pay. Parts of the estate—notably the glen—were obviously suitable for nothing but pleasure grounds, and the Society decided to allow visitors to enjoy the pleasures provided that permission was first obtained from the head office; and the result was that for some years large parties visited the place during the summer months; societies and Co-operative guilds and employees' associations organised excursions there, and this privilege was also taken advantage of by literary societies, friendly societies, Sunday schools, and other similar bodies, fifteen hundred being no unusual number of trippers on a summer Saturday. The financial arrangements presented some difficulties. The directors, with the approval of the societies, wrote down by special depreciation the value of the pleasure grounds and so removed a burden of interest. Even then the experiment was costly. Money was spent in boring for coal; crops were not always profitable; and year after year the delegates had occasion to discuss the "losses at Calderwood." Before the balance began to appear on the right side of the accounts, the Society had lost almost as much as it had paid for the estate; but it must be added that these "losses" were arrived at after the Society had depreciated annually in accordance with the rules and had charged against the accounts the usual interest on the capital employed. These "losses" ceased when the present manager, Mr G. G. Young, was appointed.

An important site in Park Street, Kinning Park, was secured in 1904 for the provision of buildings to relieve congestion elsewhere. There are now established the ham-curing department and sausage factory, and several other departments allied to the central warehouses. The Chappelfield laundry at Barrhead was leased in the same year as an auxiliary to the dress shirt factory. This was given up four years later, when the Potterhill laundry at Paisley was secured to serve the same purpose. Barrhead Co-operators deprecated the transfer of the laundry; Paisley Co-operators welcomed the establishment of a Wholesale department in the town, and the two parties made a battle royal over the question. The delegates endorsed the recommendation

of the directors to make the transfer, and it was made. It anticipates the contents of the next chapter, but it may as well be stated here as there that the laundry premises were much too large for their purpose, but the directors knew that and had in their minds the possibility of utilising the space for some other enterprise. In 1912 they had the superfluous part of the building equipped with modern plant, and transferred to Paisley the whole of the dress shirt manufacture—a step which dispensed with the transport of the dress shirts from the Leith factory to the Paisley laundry before sale. An auxiliary to the drapery department was opened in London in 1905, so that the Wholesale would be directly kept in touch with the latest movement in the drapery, dress, and millinery trade. Shows of millinery and kindred goods are now held there regularly, and representatives of the Scottish societies who go there are enabled to examine the latest creations as soon as they arrive in London. It is perhaps eloquent of the temperate character of Co-operators that yet another mineral water factory was started in 1906, that of Dunfermline, and only two years later another was secured at Kirkcaldy. In the meantime the Society was purchasing all the ground it could acquire in the neighbourhood of the central premises. A site at the corner of Paterson Street and Morrison Street, which adjoined the drapery warehouse, was purchased in 1907, and made it possible to bring the drapery warehouse to a Morrison Street frontage a few years later. In Ireland ground was secured in 1908 for the establishment of piggeries, which have since done well. The lease of Carntyne farm, secured in 1901 for the convenience of the cattle department, was also renewed in 1908, which proved to be a memorable year in several ways. It witnessed big extensions of the Paterson Street clothing and shirt factories. The Paterson Street addition to the drapery warehouse was completed, the first of the Canadian wheat elevators were erected, and Minto House, in Chambers Street, Edinburgh, was purchased for an addition to the furniture branch warehouse. It witnessed another development, also, in the opening of the Society's first retail branch.

This event was the outcome of a paper read at a special Sectional conference in Edinburgh by Mr James Deans. The story is told of Mr Deans that one evening he was met by a Kilmarnock friend, hurrying away from home. His friend asked

him where he was going, and he replied that he was going to a Co-operative meeting to see if it would be possible to get money to start a Co-operative Convalescent Home. The friend ridiculed the idea, and remarked : " Ye've aye got a bee in your bunnet." A lot of those bees have produced honey enough to justify their existence, and a fairly lengthy list might be drawn up of Co-operative schemes now in operation which had their origin under the Kilmarnock " bunnet." Mr Deans had been long enough propagating Co-operation to know the difficulties in the way of establishing Co-operative societies in some quarters. He also knew, from personal experience, how virulent the traders could be at times, and how severely they could make their methods bear not upon the Co-operative movement, but—as we have already shown—upon individual Co-operators. His experience, and the experience of John Barrowman and James Wilson, who had acted as propagandists in their time. made it clear that in some places it was possible to get people to join a society, and purchase their goods from it if a society was formed, while it was extremely difficult to get them to take any prominent part in establishing a society—their jobs were at stake in many places if they did that. Mr Deans's proposition was that the S.C.W.S. should take premises where no Co-operative society existed (or no branch of a Co-operative society), equip and stock the premises as a Co-operative store, invite people to give their trade and to allow their dividends to accumulate until they could take over the whole premises, staff, and stock as a going business. This was discussed at the special conference in January 1907—Mr J. C. Gray, the late general secretary of the Co-operative Union, read a paper on " International Co-operation " at the same conference. The subject was discussed at several district conferences, and finally notice of motion was given at a quarterly meeting for a special meeting to be held to alter the rules to permit of the S.C.W.S. entering into retail business. The rules were eventually altered, and the first retail branch was established in Elgin. It was not the happiest choice, for a Co-operative society had formerly existed there, and the absence of success from its operations prevented enthusiasm rising. The whole subject of retail branches, however, falls to be dealt with later.

There are other incidents worthy of special note in this period. Old age was creeping upon some of the directors. It was true

they were selected for periods of two years, and the delegates at the quarterly meetings had the power to replace them if they chose. Co-operation took a kindlier view of its obligations, however, and hesitated to discard its old servants callously—as was seen in the case of the old manager. It is not suggested that the efficiency of the directorate suffered from the age of its members, but it was borne in upon the delegates that they should be prepared for a contingency that might arise in a very few years. The subject was raised in concrete form at the Scottish National Co-operative Conference in 1906 by Mr James Campsie, M.A., of Kinning Park Society, who had been pressing it at local meetings for some time. The result of the agitation was that a special committee was appointed at the end of 1906 by the quarterly meeting to enquire into the whole question of the duties, constitution, and emoluments of the directors.

The committee consisted of nine members representing the delegates and three representing the directors, and their first business was to resolve themselves into three sub-committees. These interviewed the respective sub-committees of the Society, saw the routine of the business, held interviews with the managers and heads of departments, went round on visitations, and had a free hand generally in conducting their inquiries. It was considered most reassuring and satisfactory to find each of these sub-committees reporting that each section of the directorate had adequate supervision of the work entrusted to it, and that, so far as administration was concerned, they could make no recommendation which, in their opinion, would lead to greater efficiency. The findings of these three sub-committees completed the first stage of the inquiry entrusted to the special committee—namely, the duties of the committee of the society.

Three other points did the special committee consider in the course of the investigation—the method of electing the board of the Wholesale, its constitution, and emoluments, and mode of retirement. Under each of these it made important recommendations. As to the constitution of the board, it recommended that a director should not hold any other office of profit in the movement outside of his own distributive society, though there was a proviso that the present directors be allowed to complete such appointments as they then held. It recommended that " the person who acts as secretary to the board be not a member

of the board," this being an endorsement of a position assumed by the directors themselves some time before, and over which there was a good deal of criticism.

The last points considered by the special committee were the emoluments and mode of retirement of the members of the directorate, and these they approached in the same level-headed manner which was the leading characteristic of their work from the commencement. It was an open secret, of course, that the committee would consider the question of superannuation in the course of their deliberations, even though some of the members composing it were opposed to the principle of anything savouring of old-age pensions unless coming direct from the State. The committee, however, were unanimous in recommending that a contributory scheme of retiring allowance should be adopted for the directors on reaching the age of sixty-five. They proposed that a scale be graded in proportion to length of service. Thus, for ten years' and up to fifteen years' aggregate service, £100 per annum; from fifteen to twenty years, £125 per annum; and twenty years and over, £150 per annum, the latter being the maximum. Provision was made for the money contributed being paid over, with interest, to relatives, in the event of death, or to the director should he cease to be a member of the board for any reason whatever. It proposed that the salary of each member of the board, " with the exception of the present chairman," should be £275, 5 per cent. of which, £13, 15s., would be contributed to the superannuation fund each year.

The report was considered at a special Wholesale meeting on 19th October 1907—the largest meeting of delegates held in the Clarence Street Hall, up till then, fully 900 being present. An attempt was made to have the number of directors increased to fifteen; but it failed. The meeting adopted the recommendation of the special committee that, in future, elections for directors should be by voting papers, instead of by a show of hands at a quarterly meeting, and that canvassing by or on behalf of a candidate should be prohibited. Other points in the report were discussed, but the delegates decided that there should be no divergence from the beaten track; no superannuation; no increased salaries, no compulsory retirement for the directors. To fill the measure to the brim, they not only refused to add to, but actually took away from the

emoluments of the unhappy members of the board, by decreeing that none of them should hold any office of profit in any other Co-operative concern outside their own distributive societies. The great central point for discussion was, of course, the proposed contributory scheme of retiring allowance for the directors who had reached the age of sixty-five. Most disputants entirely overlooked the fact that the scheme proposed would in time become self-supporting, and could not in any sense be regarded as a burden in perpetuity. The delegates were shackled by instructions from their societies, and all the arguments in the world could not have altered the cut-and-dried decision that there should be no superannuation.

There was one incident of 1908 which marked a remarkable achievement—or which celebrated an achievement of 1907. In the Argyle Arcade Café on 10th January there was a large and jovial company assembled to commemorate the fact that the drapery department during the preceding twelve months had had a turnover exceeding £1,000,000. Mr David Gardiner was presented with an illuminated address, and tributes to his excellent managership were paid by Mr Glasse (who presided), Mr Little, Mr Young, Mr Pearson, Mr Allan, his own directors; Mr D. M'Innes, of the English Wholesale Society's board; Mr Gibson and Mr Boothroyd, of the C.W.S. drapery department; Mr Macintosh; and Mr M'Gilchrist (one of Mr Gardiner's assistants). One of the speakers was Mr Larke, of Glasgow, the gentleman who was first to supply goods to the drapery department. The address, which was presented by Mr George Davidson, the first male assistant engaged by Mr Gardiner when the drapery department was formed, was signed on behalf of the subscribing directors and employees by Peter Glasse (director), Daniel Thomson (director), Thomas Little (director), James Young (director), William Allan, J. M'Gilchrist, and George Davidson. In congratulating Mr Gardiner on the success of the department under his management, the address bore that :—" The enormous expansion of the business during that period is brought out in a striking manner by a comparison of the sales for 1876 (the first year in which a separate account was kept of drapery sales) with the current year. The former amounted to £49,952, os. 10d., while the latter will exceed £1,000,000. We feel sure that this enormous success is largely due, not only to

your great administrative skill and technical ability, but also to your indefatigable zeal and the perseverance and courage you have always shown in overcoming difficulties." The subscribers presented to Mrs Gardiner a beautiful necklet and pendant, this presentation being made by Mr Carlaw, another old employee of the department. Mr Gardiner, in his reply, disclaimed personal credit, and attributed the success of his efforts to the help and encouragement he had received from the officials of the Society, his assistants in the department, the directors, and the managers and buyers employed by the retail societies. It was a memorable gathering; but while it had taken thirty-five years to reach the first million in the department, in ten years more the sales had reached three millions.

One of the most important decisions arrived at by the S.C.W.S. in 1908 was that which gave the directors power "to purchase, lease, or acquire fields of coal, lime, fireclay, and other minerals," and to sink necessary pits, the total cost not to exceed £100,000. It was not the first time the question had been raised, but it had got down to what appeared to be practical politics. The chief difference of opinion among the delegates was that some thought it practical politics for the Wholesale and others thought it practical politics for the Government. The chairman at the meeting—held in March in Glasgow—explained the position fully. The Society's sales in coal for the preceding year were 264,747 tons, drawn from 131 pits. "Taking two typical pits in Ayrshire," he said, "we have got as high as 178 tons per day from one pit and an average of 58½ tons per day. We could have taken 286 tons per day from that pit if we could have got it. A pit yielding 200 tons per day would only be a drop in the bucket." The power sought was granted; but the president warned the delegates that the directors had no particular pit in mind, and that they might not even buy during the next half-year, but they wanted to be armed with the necessary powers if the opportunity presented itself. Those who wished to see the S.C.W.S. owning and controlling a coal mine have not yet reached the realisation of their hopes.

There are some melancholy changes to be recorded before this chapter closes. Death had spared the board from 1899,

when Mr J. Adams died, till 1907, when the first break occurred in what was termed the full-time directorate. The first to pass away was the veteran secretary, Mr Andrew Miller. Mr Miller had honoured the office with which the Wholesale Society had honoured him for thirty-three years. He had been a short time on the board when his predecessor, Mr Allan Gray, was appointed cashier, and during all those years Mr Miller had worked zealously for the movement, and he had earned the respect of all his fellow co-operators. He had been one of the enthusiasts among the directors for Co-operative production, and at one quarterly meeting he had some caustic remarks to make about those who talked about going into production and yet voted against increasing the value of the S.C.W.S. shares. For twenty years he served on the board of the Co-operative Insurance Society. He was a *persona grata* with Co-operators on both sides of the Border, and among intimate friends he was known for his extremely genial nature. A Conservative in politics, he was, nevertheless, always on the side of progressive movements in the Co-operative sphere; and, while he made no pretensions to oratory, he could be relied upon to contribute very usefully to organisation when work was in progress. In Tillicoultry he had a wide circle of friends, and for a number of years he was a member of the Town Council and bore the dignity of a bailie of the town. A fine type of vigorous manhood he was in his earlier days. A serious accident when on Wholesale business disfigured his handsome features slightly some years before his death; but, till the last day he was at his post in Morrison Street, his commanding figure attracted attention. For some months he had been confined to his room with a serious illness, and on 10th March 1907 he passed quietly away. His funeral was a public event in Tillicoultry, and we well recollect the solemn cortege which, led by the police and civic dignitaries, and joined in by representative Co-operators from English and Scottish Co-operative societies and federations—including the general secretary of the Co-operative Union—accompanied his dust to its last resting-place.

Mr Miller's seat on the board was filled by the election of Mr William R. Allan, secretary of the Dundee Coal Society and secretary of the Forfar, Perth, and Aberdeen Conference Association, who had already done useful work as a propa-

gandist in the North of Scotland. The office of secretary, which the delegates had previously decided must be held by a member of the board, was filled by Mr John Pearson.

Before four months had passed another member of the board was laid to rest at Leith. This was Mr T. C. M'Nab, who had been a member of the directorate from 1889—seventeen years. Mr M'Nab was a delegate to the Preston Congress, and we recollect the murmurs of surprise and regret that went round the hall when, on the second day of the Congress, the president—Mr William Lander—announced that Mr M'Nab had been seized with a sudden illness on the previous evening at Blackpool where he was residing. A few days later he was conveyed home to Leith, where he lingered for a few weeks and passed away on 10th July. A large concourse of mourners stood around the grave when his remains were lowered to their last resting-place, the company including representative Co-operators besides the provost and bailies of Leith, who wore their magisterial robes and insignia. Mr M'Nab had been a member of Leith Parish Council and School Board, and had also been a member of the Town Council and a bailie. As we have already pointed out, he accompanied the manager of the S.C.W.S. mills—also a Leith bailie—to Canada, and had recommended the purchase of wheat growing land there. He had done much useful work for the movement; had figured largely as an orator and as a reader of papers at conferences; and his usefulness in the board-room and committee-room was acknowledged by all his colleagues.

Mr M'Nab's successor on the directorate was Councillor James Young, of Musselburgh, a man of considerable zeal and activity, who had had a varied experience, and who had been closely identified with Co-operative work in the East of Scotland

Another change took place early in 1908. Mr Daniel Thomson, who had been laid aside with sickness for several months, intimated his resignation in a letter dated 22nd January 1908. On 14th February he passed away at his home in Dunfermline, full of years and honour, to the infinite regret of all admiring an honest, conscientious man who, throughout a long tale of years, laboured assiduously in various causes having for their object the betterment of his fellows.

Mr Thomson was one of the patriarchs of the movement.

Possessed of a temperament placid and serene, though he was in his seventy-sixth year, his mind was perennially young and receptive of new impressions. He had an intimate knowledge of modern art and its technique. It was not till afterwards we learned that, as a water-colourist himself, he could speak as one having authority. No one could wish for a more delightful companion than Mr Daniel Thomson. Widely read, and of a well-cultivated mind, his quiet, shrewd comments on men and things were peculiarly characteristic. A student always, he was more a writer than a speaker where numbers were concerned, his being of that philosophic turn of mind inclined to think that much that is said at times by word of mouth might quite well without expression be allowed to go as understood. Himself an author, no man was more fully alive to the important value of books, and it was only in the fitness of things that he acted as librarian of the small but well-chosen collection at the disposal of the board of directors in Morrison Street. He was laid to rest in the "Auld Grey Toon"; his remains being borne, on their way to their last abode, past the historic old Abbey, with every nook of which he was familiar.

Another Dunfermline man was chosen to fill his place, the choice falling upon Mr James Wilson, who had been a propagandist for the S.C.W.S. and the Co-operative Union.

Mr Maxwell had gone through the travail of a Parliamentary election in 1900—a khaki election, when anybody with rational ideas, or with a social policy of domestic reform to propose, had not much chance of being elected. Mr Maxwell, who was held high in the esteem of Lord Rosebery, and had been invited by Lord Rosebery to Dalmeny in 1892 to meet Mr Gladstone, with whom he spent the better part of a whole day, was pressed to stand for Clackmannan, the most Co-operative county in Scotland; but he ultimately decided to fight in the Tradeston Division of Glasgow, in which the S.C.W.S. headquarters were established. It would have been singularly appropriate if the constituency had been represented by the head of the great society whose premises alone adorned Tradeston. Mr Maxwell entered the lists as a Liberal candidate eight days before the poll, and, in company with many other good Liberals and Labour men, he went down. The lightning campaign was probably too much for him at his years. The development of the business of

the Wholesale, and the wonderful extension of its operations, were beginning to tax his energy, and his resignation of the presidency of the Wholesale was contemplated. His many friends in the movement pressed him to continue his services, and he agreed to do so. The appreciation with which his services were measured by the Co-operators of Scotland was demonstrated in 1905, when he completed twenty-five years' service on the board of the Wholesale Society. The gathering to commemorate the event was held in Clarence Street Hall, Glasgow, on 23rd December 1905, and was one of the most delightful social gatherings held under Wholesale auspices. Mr Duncan M'Culloch, the ex-president of the United Co-operative Baking Society, presided over a gathering which filled the hall, those present being representative of the whole country. Mr Miller, the secretary of the Wholesale, and Mr Maxwell's oldest colleague on the board, was the spokesman for the societies that had subscribed to the testimonial presented. In speeches appropriate to the toasts of the evening, the good wishes of Mr Maxwell's fellow-Co-operators were eloquently voiced by old friends like John Allan, James Deans, Daniel Thomson, David Rowat of Paisley, and John Clark of Perth. Mr Hewitt represented Mr Maxwell's colleagues on the board of the Co-operative Newspaper Society, and so brought greetings from across the Border. The sincerity of the wishes expressed was evidenced by the handsome gifts presented as souvenirs of the occasion, these comprising a cheque for £500 for Mr Maxwell, and a beautiful piano, music stool, and silver rose-bowl for Mrs Maxwell.

Some moments lightly spent may give rise to emotions which leave a lasting influence. Such moments arose that afternoon. Miss Margot Beatson, who contributed to the musical programme, came on immediately following the presentation. She sang "D'ye Mind Lang Syne?" There had been references to the pioneers, to Mr Maxwell's work, to the faith and practice of the old Co-operators who had built up the movement. Her simple song seemed appropriate. She sang the verse:

> "Where are they noo—the hearts so leal and true?
> Some ha'e crossed life's troubled stream and some are strugglin' through;
> But some ha'e risen high in life's fitful destiny,
> For they rase wi' the lark in the mornin'."

And as she sang that last line the singer turned on her feet and

ORIGINAL SITE AT 95 MORRISON STREET

S.C.W.S. CENTRAL PREMISES, 95 MORRISON STREET, GLASGOW

looked at the honoured guest of the evening. It was the most eloquent tribute of the evening; the audience saw its application at once, and the last notes of the line were drowned in the thunder of applause. There were some in that audience moved by these words and their appropriateness, and the lesson remained with them.

Mr Maxwell, in his speech, had indicated that the time had come when he and the Wholesale delegates must say good-bye. It was taken by way of announcing that he would not again accept nomination for the presidency when his time expired a few months later. There was no physical reason then why he should retire. His health was good—marvellous for his age. Before the time came for his renomination, he was again pressed to take no step that would lead to a severance of his connection with the Wholesale, and once more he was elected unanimously. It was his last term, however. In 1908 he decided to relinquish his post, and the announcement was received with regret. He was debarred by the decision at the special meeting, regarding the position of directors, from holding any "office of profit" in any other society; but any such office as he held had not to be vacated till the end of his term. So in 1908, when his term of office on the directorate of the Co-operative Newspaper Society expired, he was still president of the S.C.W.S., and had to retire from the Newspaper board—an event that was marked by the presentation of an illuminated address and an album containing portraits of his fellow-directors, the editor, and the manager. For the presidency of the S.C.W.S. there were nominated Mr D. H. Gerrard, the president of the United Co-operative Baking Society; and Messrs Peter Glasse, Thomas Little, Henry Murphy, and Robert Stewart, all of whom were members of the S.C.W.S. board. Mr Gerrard intimated a desire to withdraw after the nominations had been announced; and, eventually, Mr Stewart was successful in the ballot. Mr Maxwell was entertained at dinner in the Clarence Street Hall a few days before the next quarterly meeting, and was presented with gifts indicative of the esteem and good wishes of the directors and the heads of departments. Shortly afterwards he was presented with a handsome secretaire and bookcase by the employees at Shieldhall—that monument of his "long view" of the work of the Wholesale—in recognition of his special interest in the

employees as a whole, to which reference is made in a later section of this volume.

He presided over a quarterly meeting for the last time in September 1908. The delegates, not unmindful of his great services, voted him a parting gift of two years' salary—£700. It was not the most memorable part of the proceedings. Mr John Mallinson, of St Cuthbert's Association, in a speech full of grace, moved that the Wholesale Society should place on record an expression of its regret at Mr Maxwell's retirement, and should also record in the minutes its appreciation of, and thanks for, his long years of service to the Society and to the movement as a whole. The resolution was seconded and put to the meeting, when there occurred one of those striking demonstrations which have only occurred on very rare occasions at a Wholesale meeting. The resolution was scarcely put to the meeting when the delegates broke into a storm of applause, which grew in volume till somebody rose, and in a second the delegates had become an upstanding cheering mass; a thin voice broke into song, and the thousand voices joined in singing "He's a jolly good fellow"; the singing changed once again into cheers; and, as the writer recorded in his report of the proceedings at the time, through it all there remained only one seated figure—that of the white-haired, honoured, and overcome veteran, who occupied the chair, with his head buried in his hands on the table before him. So William Maxwell passed out of office in the S.C.W.S., although he still retains his seat on the executive of the International Co-operative Alliance as the representative of the Wholesale Society. This is due to the resolutions of quarterly meetings. Mr Maxwell, since the Cremona Congress of 1907, has been president of the International Alliance, and that distinguished office has made him the best-known Co-operator in the world.

XIII.

THE LAST DECADE AND THE GREATEST.

THE NEW PRESIDENT AND HIS EARLY EMBARRASSMENTS—SERIOUS INDUSTRIAL DEPRESSION AND ACUTE WIDESPREAD DISTRESS—COMPETITION WITH THE MULTIPLE SHOPS—THE BUTCHERS DECLARE A NEW WAR—THE S.C.W.S. AND A NATIONAL CO-OPERATIVE SOCIETY—VIGOROUS CONTROVERSIES AND AN EPIDEMIC OF "INDEPENDENT" SOCIETIES—IRRITATING LITIGATION IN IRELAND AND SCOTLAND—DISASTROUS FIRES—DEATH'S FREQUENT VISITATIONS CAUSE A SUCCESSION OF CHANGES—THE CALAMITOUS WAR ECLIPSES THE TRIALS OF A DECADE—HOW THE S.C.W.S. FACED THE CRISIS—PHENOMENAL PROGRESS MADE IN SPITE OF EVERYTHING—NEW DEPARTURES CROWD THE YEARS—FRESH INDUSTRIES ESTABLISHED—LAND BOUGHT IN CANADA AND CONCESSIONS IN WEST AFRICA—CLOSER RELATIONSHIPS WITH THE C.W.S.—THE WHOLESALE'S GREAT GROWTH IN TEN TRYING YEARS.

It is an interesting coincidence that the last decade of the first fifty years coincides exactly with the term of office of the present occupant of the chair. Mr Maxwell's valedictory meeting was in September 1908; the Society's jubilee would have been celebrated in September 1918; and so the new president is justified in taking a good deal of personal pride from the title which this chapter bears. Mr Robert Stewart proved a worthy successor to the venerated president whose mantle was conferred upon him. He had led a busy life; but it is the busy people who get the work to do, and it was so especially in the case of Mr Stewart. He was not born to commercial life; he adapted himself to it. He was a tradesman—a joiner—employed at his trade in the S.C.W.S. building department. He was a keen trade unionist, an ardent temperance advocate, a zealous church worker, an enthusiastic Liberal, and he had even acquired—in his earlier days—some little reputation as a footballer. To the unthinking there is perhaps little connection between all these things and Co-operation; but his zealous participation in all these activities—not excluding the football—had accustomed him to working with his fellows for

a common laudable purpose, and that is Co-operation in essence. Born in Glasgow, located on the south side of the city, Mr Stewart had thrown in his lot with the Kinning Park Co-operative Society. An enthusiast in any movement which he thought it right to join, he soon became one of the representative members of that society. He was one of its delegates at conferences and at meetings of Co-operative federations. He passed through its educational committee on the way to a seat on the board. He represented it on the directorate of the United Co-operative Baking Society, and was its nominee for the presidency of the *Scottish Co-operator* Newspaper Society, which had been begotten by his own society. He retained this last-mentioned post till the rule, which also disqualified Mr Maxwell from sitting on the *Co-operative News* board, was passed by the S.C.W.S. at the meeting referred to in the last chapter. He had been sent to the S.C.W.S. board to succeed Mr Adams, who died in 1899 and who was also a Kinning Park man. Mr Stewart's activities had won him laurels outside the movement also. He had proved himself an educationist of some virtue in the Govan School Board. For a number of years he had been a member of the Kinning Park Town Council and a bailie of the burgh—and he treasures several pairs of white gloves formally presented to him when there were no cases to bring before the local police court. Mr Stewart would have been provost of Kinning Park, but a passionate affection for Co-operative principles seized the burgh and it merged itself in Glasgow in 1906, and there was no longer any need for a provost. Mr Stewart, however, was elected to the Glasgow Town Council as one of three representatives Kinning Park was entitled to send, and he did good work there till 1908 when his term expired, and he did not seek re-election.

His best friends were not certain whether to congratulate or sympathise with him when his election was declared. They were satisfied that they had made no mistaken selection ; but it was no sinecure to be president of a board of directors serving the interests of nearly half a million members of Co-operative societies and doing a trade of £7,500,000 a year. It was no light undertaking to succeed a president who enjoyed a world-wide reputation and who had the whole of the details of that great business at his finger-ends because he had seen the

inception of so many new departments and of all its productive factories. Now that ten years and more have passed, and the Society has passed through a period which has witnessed the destruction of empires, the overthrow of kingdoms, and a revolution of political and economic thought in every country, we know of no one who regrets the choice of a president which the Wholesale made on that occasion. The attainment of the new dignity was a remarkably interesting evolution. The journeyman carpenter, in receipt of trade union rates of pay from this concern, becomes a spokesman for his society at the meetings of the shareholders, he wins his way to the boardroom, and eventually becomes the chairman of the directors and president of the whole great institution with its colossal trade and its army of employees. It is a progress that does not come to many men, and those unworthy of such promotion do not retain their rank long. According to rule the presidency is an office held for two years, and a re-election is necessary; according to practice it is an office and a dignity held *ad vitam aut culpam* with a biennial re-election as a formality. Mr Stewart's rank remains with him, and he adorns his rank.

His election to the chair still left a vacancy in the board to be filled, and, not unnaturally, the choice of the movement fell upon the nominee of St Cuthbert's Association, which had been Mr Maxwell's nominating society all the years he was on the board. The new director was Mr Robert Nesbit, who had been a member of St Cuthbert's for about thirty-five years, for eighteen of which he had acted as treasurer. He, too, was an employee of the S.C.W.S., so that Mr Stewart's experience was repeated in Mr Nesbit's election, and it was once again demonstrated that the Co-operative movement resembled the army of Napoleon inasmuch as the simple soldier carried the marshal's baton in his knapsack. Mr Nesbit was the last director to be elected by the votes of the delegates at a quarterly meeting, all voting for directors now being done by a ballot of the societies.

Mr Stewart's first year of office was a peculiarly trying one. One of those oft-recurring cycles of trade depression had come, and there was very considerable unemployment. Shopkeepers everywhere were complaining of bad trade, and the drapery trade was one of the first to suffer. The Co-operative stores,

naturally, reflect the purchasing powers of the working-classes and they felt the depression like other establishments, but not to the same extent, for, while the distributive societies did not show their usual rates of increase, there was nevertheless an increase in the trade of about 7·6 per cent. up till the end of March. The Wholesale Society, at the March meeting, had voted £1,200 for the relief of the prevailing distress. When Mr Stewart presided for the first time at the quarterly meeting —12th December—he had to announce that the trade of the Wholesale showed a decrease for the quarter. It was the first time for fourteen years that the chairman had such a statement to make, and it was a somewhat embarrassing statement for a new president. The depression continued for some time. Acute distress was experienced in many parts of the country, and serious disturbance also threatened in many places. Public soup kitchens had been opened in industrial centres; relief works had been established under local authorities and distress committees; considerable unrest was manifesting itself, and the nation was on the verge of one of the most serious internal crises that had arisen for years. When the Wholesale Society's accounts were closed for the second half-year in 1908 it was shown that the decrease which was only 1·7 per cent. at the September quarter-end had become 5·7 by the end of December, and the returns for the first half of 1909 were 5·9 per cent. lower than the returns for the first half of 1908. By the end of 1909, however, the trade began to recover again, and an increase was once more recorded.

Notwithstanding the depression in trade, the S.C.W.S. went forging ahead. The first retail branch had been established, as we have already recorded; but the directors were eager to open similar branches in Canada, especially as the Society had already established itself there for buying purposes. The project was in contemplation at the end of 1908, but it had to be dropped then in view of the advice of the Society's law agent, which was to the effect that such a step could not legally be taken. The laundry at Potterhill was opened in January 1909, notwithstanding a vigorous fight by Barrhead Society against the transfer of the laundry from Barrhead. Meanwhile the drapery department was advancing; and on 15th March, when the annual spring millinery and mantle show took place,

it was held in a new portion of the warehouse opened that day. This was the portion in Paterson Street immediately adjoining the old Wallace Street front block, and it did not extend quite to Morrison Street. The extension consisted of five floors and a basement, and an idea of the dimensions of the new wing may be grasped from the fact that a portion of one of the floors in the extension had fixture accommodation for 200,000 dozen collars. The warehouse was then believed to be one of the largest and best equipped in the country—considering that it was confined to the drapery trade alone, and did not include either boots or furniture as most wholesale establishments did —but there have been further extensions and additions since that.

In order to keep the Society's ham-curing department supplied with the necessary "material," piggeries were established at Enniskillen and Calderwood, and these were in going order by the middle of 1909. The opening of the Ryelands milk centre almost synchronised with these developments. This was a step that seemed a natural development of the Calderwood enterprise, and cows had already been stocked on the estate. They did not supply all that was wanted, for, although many of the societies had placed their contracts for the season before Ryelands centre was in operation, the first quarter's trade at Ryelands represented an average collection of 6,000 gallons of milk per week. The commodious new branch warehouse at Seagate, Dundee, which took the place of the rented premises in Trades Lane which had been destroyed by fire in 1906, was completed and opened in July 1909. It was an event that stirred the enthusiasm of John Barrowman, and his reminiscent speech on that occasion, when he recounted some of his missionary efforts in the North, kept the audience in merriment for some time.

The Wholesale Society, however, was again put to trouble by a revival of the boycott by the Glasgow Fleshers' Association and the meat and cattle salesmen associated with them. The by-law passed by the City Corporation requiring that all *bona fide* bids should be accepted at public sales had applied not only to the city cattle market but to the foreign animals wharf at Yorkhill. The latter place had been given up, and a new wharf was leased at Merklands on the same side of the river. The

Merklands Wharf was opened for business without the by-law being re-enacted, and several efforts were made by the friends of the anti-Co-operators in the Town Council to have the by-law abolished in so far as it applied to the city cattle market. Various factors brought the anti-Co-operators success in 1909. One of these was undoubtedly political. While the boycott raged and the virulence of the opponents of the movement showed itself unblushingly, the Co-operators were vigorous in their own defence. The Glasgow and West of Scotland Defence Association developed into a Scottish National Defence Association. Where any public body refused to recognise the Co-operators as having civic rights, either individually or collectively, it invariably followed that a Co-operative candidate, or more, took the field at the next election whether the public body was a parish council, a school board, or a town council. In this connection it ought to be said that the directors of the Wholesale Society did not spare themselves. There was scarcely a member of the board at this time who had not been a member of one or more of these bodies. In addition to that, by a resolution of the shareholders, the directors were instructed to convey to the managers of the departments the intimation that employees who were selected as candidates and were elected tc public bodies were to be allowed time for the performance of their public duties. That privilege has been made use of even in the case of the Glasgow Town Council, which makes considerable demands upon the time of its members. So did the Co-operators respond to the call for Co-operative defence when attack was unmistakable. In 1905, however, the Paisley Congress confirmed a resolution of the Perth Congress of 1897 in favour of direct Co-operative representation in Parliament. It had also raised the question of affiliation between the Co-operative movement and the Labour Party, and a heated discussion had taken place with regard to the whole question of politics because the movement comprised people of all political creeds. Some shrewd observers had learned even then that a political struggle was bound to come sooner or later between the exploiters and the exploited, and they were convinced that the workers as a whole would have to fight vigorously and unitedly if their conditions of life were to be improved. Some, it is true, while convinced of that, believed

that the political parties to which they belonged would be the best bulwark of the workers. The struggle was virtually between the Labourists and the Liberals, although it must be confessed that some—though probably not many—were opposed to the movement being allied to any party even that to which they usually gave their support. For one reason or another, then, there were Co-operators opposed to political action. In some societies they succeeded in dominating the situation to such an extent that these societies would not even vote funds to the Defence Association, on the ground that the funds were being used for municipal elections, and that, they argued, was "the thin end of the wedge." There had been a slight recrudescence of boycott and hostility in Perth, Kilmarnock, Leith, and one or two other places; but it was a comparatively mild attack. The anti-political crusade, and the subsidence of the really virulent hostility of the earlier years, both contributed to a waning of the enthusiasm of Co-operators in the municipal elections even in Glasgow, although that apathy which was apparent in so many could not be alleged against the Defence Committee itself. Thanks to the relaxation of vigilance the day came when the anti-Co-operators in the Glasgow Town Council, who had been beaten so often, at last saw the hope of victory; they seized their opportunity, and in April 1909 they succeeded in getting the by-laws in the city cattle market rescinded. Friends of the movement made attempts, at meetings of the council, to have it restored; the Defence Committee organised better than ever before; Co-operators were added to the council, but they were not sufficient, and the salesmen in the public auctions in the city's market are entitled, till to-day, to refuse to accept the bid of the Co-operative buyers who represent over a third of the ratepayers of the city. The responsible press of the city rebuked the Corporation for inaugurating such a state of things; but it seemed as if their rebukes were not so much because the decision was an injustice to the Co-operators as because it allowed dictation by the fleshers. The whole aspect of the case had changed, however, from the time the question was previously a subject of first-rank controversy. When the 1909 decision was reached the Wholesale Society was independent of the public sale rings. The board reported that they could get all the supplies they wanted—a condition which

could not be guaranteed when the trouble first arose—and the only question that remained was that of the right of citizenship. That right—the right of the Co-operative buyer to the same treatment as his rivals in the public sale rings—has not yet been recognised by the Council of the second city of the first Empire of the world.

It was not purely a question for Co-operators now, it was a question for the whole community. The community did not recognise that. In April 1909 the *Co-operative News* published a letter received by a Glasgow firm from a Canadian shipper of cattle who wrote: "If the Glasgow butchers do not want live cattle, but prefer to go to Liverpool for the dressed beef, all they have to do is to continue their present policy, and they can congratulate themselves that they have accomplished their object. If, on the other hand, they consider that it would be a good and profitable thing to have cattle sent them from this country, they had better get a move on and look the situation in the face, and drop for once and for all time this ridiculous system of hampering the free sale of cattle." It bears out what has gone before in these pages.

In the meantime, Scotland remained under the cloud of unemployment. Distress prevailed everywhere. The reason given for the situation in the public press was "over production." The *Glasgow Herald* published an article (September) in which it was stated that "by means of labour exchanges the country may secure that organisation of the labour market which is a need of the times, while a measure of regulation in the case of the seasonal trade would avert much of the distress that is prevalent in them." The *Herald*, even with its usual broad view of things, did not seem to recognise that such a regulation as it desired was already in operation—even if to a limited extent capable of development—in the Co-operative movement, which estimated the requirements of the consumers or users of certain articles and produced only for a known market.

An interesting controversy arose in 1910 regarding the relationship between retail societies and the Wholesale Society. In 1906 Mr J. C. Gray, at the annual Co-operative Congress at Birmingham, had delivered a presidential address—one of the last of such addresses to formulate any big departure—in which he outlined a scheme for a great National Co-operative Society

which would carry on the operations then, and now, undertaken by the numerous societies throughout the country. The S.C.W.S. had accepted the principle of conducting retail branches, as we have already seen, with the intention of enabling the purchasers at these branches to accumulate capital from their dividends, with a view to their taking over the branches to be conducted eventually as separate societies. Mr Peter Glasse, however, conceived the idea that the Wholesale Society should retain such branches and that this combination of retail and wholesale business might make the nucleus of a National Society. Meanwhile, Mr James Deans and the Scottish Sectional Board of the Co-operative Union were out on a campaign for the amalgamation of retail societies in districts where there were two or more operating and where overlapping was being complained of. These enthusiasts found full scope for their mission at their own doors, and the amalgamation of the whole of the Glasgow societies was proposed and a carefully considered scheme was being discussed. The whole proposition was given another aspect in February of 1910 when, at a conference held in connection with a memorable exhibition of S.C.W.S. productions, held in St Andrew's Halls, Mr Archibald Henderson, then secretary of the St George Society, read a paper, in the course of which he argued—much like Mr Glasse—that the line of progress was not so much in the amalgamation but in the union of these societies with the Wholesale. The subject was discussed frequently, if informally, but neither that idea nor Mr Deans' idea for a big amalgamated society in Glasgow matured.

It would be neglecting a matter of some special importance if we did not allude to a series of meetings that were held at this time, at which a number of the city of Glasgow societies were represented, and at which prices charged by the Wholesale Society were compared and, in some cases, criticised. The retail societies had been watching the developments of the multiple firms, which, in some cases, boasted of their ability to wipe out the Co-operative movement. Some of these firms operated in limited areas, and some, of course, had their shops all over the kingdom—one trust alone having over six hundred shops. Needless to say, if they could wipe out the Co-operative organisation they would have exterminated all the small trading concerns in the process. Some small traders recognised this

and went in dread of the multiple firms, although those who were organised in the Traders' Defence Association regarded the multiple firms as legitimate trading concerns. One of these firms set aside a considerable portion of its profits each year to subsidise its operations in districts where Co-operative societies were particularly strong, the idea being, apparently, to sell goods below the economic price. The effect of that on small traders would have been more serious than its effect on the Co-operative society, which had its reserves behind it and could rely upon the resources of the whole movement in a fight of that kind. It was clear that the societies would have to reckon on a conflict of this kind sooner or later, and the aggressiveness of these multiple firms was in the minds of the committees of the societies in Glasgow where the competition was keen and where prices were at a fairly low level compared with other places. There were several meetings of Glasgow committees held, on the initiative of the manager and directors of the Cowlairs Society, and at one of these the writer was present. The representatives present believed that the Wholesale Society could sell at lower prices than the societies were being charged, and to that end they organised pressure on the Wholesale board in order to secure a reduction of prices, in view of the effects of the industrial depression through which the country had passed and in view of this vigorous competition. To some extent the agitation might be described as creating a feeling of unrest. The directors of the S.C.W.S., with a statesmanship that might have been followed by the Government when there were evidences of labour unrest, took the wise course of holding a conference of representatives of all the societies catered for by the Glasgow warehouses of the Wholesale to discuss the whole subject freely. There were nearly one hundred societies represented. Mr Isaac M'Donald presided and invited the fullest frankness from the delegates because " they were all met together as candid friends." He spoke of there being " unrest, dissatisfaction, and even disaffection," and he said the Wholesale directors and managers wanted to discover the cause of it. There was little of substance to found a discussion on, and representatives of one or two of the complaining societies suggested that the meeting might be adjourned for two or three weeks to enable them to collect data. The mass of the delegates

seemed to be satisfied with the statements put forward by the directors and the proceedings terminated without adjournment. Some of the Glasgow societies pursued the matter further, however, and sent a deputation to the board to discuss the whole question in detail. The directors invited the fullest frankness from societies everywhere, and conferences were held in other centres. The matter was further ventilated at the September meeting in 1911, but the net result was a perfect understanding and a pledge from the president of the Cowlairs Society—which had led the agitation—of wholehearted loyalty and support for the Wholesale. The matter is referred to here at this length because it is, so far as we can trace or recollect, the only occasion on which there was anything like organised complaint on the score of prices. The agitation was organised by only a few societies, and the mass of testimony from managers and committees of other societies was wholly in favour of the S.C.W.S. We talked to a number of managers and buyers representing retail societies at that time, and their answer to our inquiries, generalised, was: "We cannot say we can buy to better advantage elsewhere; the Wholesale is giving us better prices and terms than any other firm can give, but we think it is possible that the Wholesale might do even better." That, after all, was only a vote of confidence expressed differently than in the usual formula. What actually inspired the agitation to begin with was that there were a few private merchants in competition with the Wholesale Society who were offering goods at prices below S.C.W.S. prices; but it was ascertained that they were offering these goods to Co-operative societies at prices below those charged to the private traders who were in competition with the Co-operative societies. The most broad-minded man imaginable could not conceive of the merchant being actuated by any desire to assist the Co-operative societies to the detriment of the private trader. The object, obviously, was to undermine the loyalty of the societies to the Wholesale and to convey the impression that the S.C.W.S. was over-charging. Even with that object in view the policy of the merchants concerned was stupid, because the Wholesale Society was not like a concern over which the purchasing societies had no control and from which they had no interest in purchasing. These societies had capital sunk in the S.C.W.S. If factories

or warehouses were not being conducted successfully the shareholders would not withdraw their trade and go elsewhere; they would take prompt steps to impress the directors with the need for improving their methods, and they would take care that improvement was effected. The Wholesale, as it was, came out of the agitation successfully, and there has never been any incident of the kind since, as there never had been before.

Mr Stewart's troubles were added to for a time by his having to pacify delegates who waxed disagreeably eloquent on the subject of the continued heavy losses on the Calderwood Estate. It was a standing subject for inquiry or discussion at these meetings, and year after year the balance-sheet showed a loss with unfailing regularity. By 1910 they had amounted to between £20,000 and £30,000 on an estate which had cost £37,000. This was more than the delegates could regard with equanimity, although at the time the estate was purchased they were warned that a considerable time might elapse before the estate could be made remunerative. The position was regarded as so serious that on two or three occasions delegates had suggested that the directors should sell the estate and get rid of it—and the losses. In 1910, however, the directors employed an expert to go into the whole of the affairs of Calderwood and ascertain, if possible, where the root of the trouble lay and what could be done not only to prevent the losses but to make the estate a profitable department of the Society's business. The report was not at all cheerful. The expert thought the price paid for the estate was too high, that the charges against it for interest and depreciation were such as would be likely to operate against good results, that some parts of the estate had been badly drained, and that some of the fields required special and prompt attention. The cattle on the estate were a good herd, but apparently the horticultural and agricultural sections both contributed to the losses.

The report was very carefully considered by the board. The expert's recommendations, so far as practicable, were put into operation; and although the report seemed depressing it undoubtedly paved the way for progress afterwards made and for profits realised, which are alluded to later. The appointment of Mr G. C. Young as manager of the estate was one of the most

practical steps taken by the board to change the complexion of the Calderwood balance-sheet.

There were troubles in some of the retail societies that reacted to some extent upon the Wholesale Society. In some cases societies had suffered serious financial losses and there had been in earlier years a few failures among the Co-operative societies. To the credit of the working-people who managed these societies such occurrences have been exceedingly rare. Nobody need be surprised that such things happened, for failures happened in the commercial world, with disastrous frequency, to firms reputed to be wealthy and to businesses believed to be conducted on sound lines. Writing in 1911 * we mentioned that at this time the official returns showed that in the trading world there had been in one year no fewer than 7,651 bankruptcies in the kingdom (1,007 of which were in the grocery and provision trade), involving losses to creditors amounting to seven and three-quarter millions sterling. This seems an appalling commercial death-rate ; and when it is mentioned that since 1905 there have been only five failures of Co-operative societies connected with the S.C.W.S. readers will admit that the societies seem to be planted in healthy soil. It has to be observed that a Co-operative society planted in a district where there is one industry must be immediately jeopardised by the closing down of that industry and the transfer of the population. That is one factor which makes the liquidation of a village Co-operative society a possibility always to be borne in mind. That factor, however, did not operate in any of the cases alluded to. In almost every case the collapse was due to the violation of rules. Credit had been given to members while the rules prescribed that there should be no credit. The rules and constitution of a Co-operative society reserve to the members the control of the society's affairs ; the powers of the directors are limited to those conferred upon them by the members themselves. The doings of the officials and managers are subject to weekly review by the directors ; the doings of the directors are subject to quarterly review (and in some societies to monthly or bi-quarterly review) by the members ; and where the members take the control that they are entitled to take and expected to take they can make financial failure

* Alloa Society's Jubilee History.

next to impossible. If they neglect their prerogative and a society comes down, however blameworthy an official or a committee may be, the members are almost invariably equally blameworthy. In almost every case of Co-operative failures the shareholders have been the chief sufferers. In only a few cases have there been trade creditors. To the credit of the Co-operative societies of the country, when a failure has taken place they have been ready to subscribe to mitigate the loss of the shareholders of the unfortunate society, even when the shareholders were themselves to blame. The failure of a Co-operative society is so rare that when such a misfortune does take place the newspapers make the most of it, because it is so unusual—the papers being governed by the same principle in this as that which leads them to give a headed paragraph or a special report to the prosecution of a clergyman for an offence which, if committed by an ordinary mortal, would be ignored or dismissed in a fill-up paragraph.

The Wholesale Society, taking the view that the failure of a Co-operative society, however easily it might be explained and accounted for, and however much it might be the fault of the sufferers, injured Co-operative prestige recognised that, where possible, such a calamity should be averted by timely aid. To enable the directors to give such aid the S.C.W.S. shareholders voted £1,000 to the formation of a special fund to be used for that purpose. The amount voted, having in mind the seven and three-quarter millions lost by the creditors of ordinary trading concerns in one year, was eloquent evidence of the faith of the shareholders in the integrity of the members of the societies throughout Scotland. That was in 1910; there has been no addition to the fund since, and at the Jubilee of the Wholesale that fund amounted to £531, 2s. 7d., so that the calls upon the fund have not been heavy during those eight years.

Another of Mr Stewart's unpleasant worries that came on top of those already mentioned was that arising from a crop of what were called "Independent" societies. In Mr Maxwell's time a split had occurred in Kilwinning, and some members had left the local society to form a new society. From a purely commercial point of view one might say it should not matter to the S.C.W.S. where its trade came from or what the societies were who joined it, so long as they were Co-operative societies

AT THE CENTRAL PREMISES

BOARD ROOM

DIRECTORS' REFERENCE LIBRARY

GLASGOW SALE ROOM (First View)

GLASGOW SALE ROOM (Second View)

registered under the Industrial and Provident Societies Acts, as the Wholesale's rules required. The members of the Wholesale Society took a higher view of their function than that. They recognised the S.C.W.S. not simply as a trading concern but as a federation established to help to spread Co-operation. Consequently, when the Segton Co-operative Society—as the hive-off from Kilwinning was called—sought to be admitted as a member of the Wholesale Society the other members refused because Co-operation would never be advanced by little societies splitting themselves up into competing fractions. They took the view that there were advisory bodies in the movement to whom differences could be referred; and it was held that if admission to the membership of the Wholesale were made easy for every little coterie which pleased to create a secession serious harm would be done, not only to the whole organisation but to the members induced to secede. In the Kilwinning case the trouble was purely personal.

The cases that arose shortly after Mr Stewart's accession to the presidency were a little more serious. In Wishaw, Motherwell, and Shettleston religious differences arose between members of the societies. In Motherwell the causes were easily understood. A Glasgow lecturer, who afterwards fell foul of the law, conducted open-air propaganda in the town and created a good deal of sectarian bitterness. The manager of the Dalziel Co-operative Society, Mr William Purdie, was Provost of Motherwell at the time, and his whole influence was thrown in the direction of preserving the good feeling that normally existed in the town, and the fair-minded Protestants and Catholics alike recognised the efforts he made. There were disorders, however, and there was great bitterness engendered. Unfortunately, some members of the Co-operative society, on both sides, caught the infection, and the result was the formation of the Independent Society there, which was chiefly composed, at the beginning at least, of Catholics. Good Catholic Co-operators in Motherwell and elsewhere deprecated the proceeding, and, for the most part, Catholics who were members of the Dalziel Society retained their membership. In Wishaw and Shettleston the causes for the secession were more obscure, but the independent societies in these districts were also started by Nationalists or Catholics. Applications for admission

as members of the S.C.W.S. were made by each of these societies ; but all such applications were turned down, not because these were Catholic societies but because they represented movements calculated to divide the people whose chief need was solidarity. Some of the promoters of these societies tried to read religious prejudice into the refusals, but Catholics who understood Co-operative principles and procedure recognised that it was a sound Co-operative principle that two societies should not exist in a district which could be more economically worked by one. Any suggestion that such societies were excluded on denominational grounds can be set aside in view of what happened to the Segton Society, and in view of the fact that admission was similarly refused to the Abbeygreen Society, started at Lesmahagow as a result of a strike of the employees of the Coalburn Society. The strikers and their sympathisers inaugurated the Abbeygreen Society, and, in a general way, it would be true to say that trade union and Co-operative sympathy was very largely against the Coalburn committee ; but, in spite of that, the feeling in the movement was that societies should be improved, if they needed improvement, from the inside. There have been heartburnings when such applications for admission have been refused, but even those most indignant at the time have had to acknowledge that the judgment of the S.C.W.S. directors and delegates was right, and most of those who joined such sectional organisations have eventually found their way back to the parental roof. It might be observed here, parenthetically, that, except on these very rare occasions, there has been no raising of denominational questions at Wholesale meetings, and the members of societies, whatever their creed, have worked loyally together for the Co-operative cause without attempting to introduce issues that ought not to be raised at Co-operative gatherings. After many years of close intimate experience of the Wholesale and retail societies in Scotland, we feel justified in saying that there is less of the sectarian spirit shown in the Co-operative movement than in any other democratic organisation we know.

One of the most anxious experiences of the Wholesale directors and the shareholders arose on 3rd September 1911, when the splendid buildings in Morrison Street, Glasgow, fell a victim to the fire fiend. It was a Sunday evening. Twilight was

beginning to deepen, churchgoers were on their way home, and thousands of people were still enjoying the out-of-door pleasures of a delightful evening when the comparative quiet of the Sabbath was broken by the shrieking syrens which cleared the streets for the swift-flying red motor engines of the fire-brigade ; and the citizens, even on the outskirts, hastened to seek vantage points from which they might locate the fire which now illuminated the sky, for it was evident that it was no ordinary outbreak to which the brigade had been summoned. Describing the spectacle for the *Co-operative News* at the time, we wrote : " The magnificent building involved in the conflagration was one of the most admired architectural features of Southern Glasgow. Standing almost on the level of the quays of Kingston Dock, it formed the stage upon which the Fire-King gave the awe-inspiring demonstration of his rage, which was witnessed by the thousands who thronged the natural galleries formed by the eminences of Govanhill, Kelvingrove, Springburn, Yorkhill, Mount Florida, and Queen's Park, and by other heights in and around the city, from which the various triumphs, first of the flames and then of the firemen, could be clearly observed. It seemed as if the whole interior of the huge pile of masonry had become a roaring furnace which would consume stone and lime and reduce ' the pride of the Co-operators of Scotland ' to hot dust. In that dazzling glare the outlines of the buildings in the neighbourhood were clearly distinguishable, even at the distance of nearly two miles. The familiar clock gusset of the Wholesale dining-room block, the domes of the drapery warehouse, the masts of the shipping in the river, and the steeples and chimneys that intervened were sharply outlined." Viewed on the following day the building seemed to be a terrible wreck. On the east side of the tower nothing was left standing of the two uppermost storeys but the bare walls and gaping windows, while the north-eastern turret had disappeared. In place of the magnificent dome which rose above the centre of the building there was a warped and twisted framework of steel girders, while the large figure of Light and Truth hung head downwards from the summit. The three lower storeys appeared to be intact, not even a window being broken. Inside the building, after an inspection, it was found that the eastern division of the counting-house was altogether unfit for working

in, owing to the damage done by water ; the china department —one of the most attractive showrooms in Britain—was in a similar condition, as also was the optical department. The ironmongery, tinware, bedding, and brush departments were completely gutted out. The grocery buyers' rooms and the saleroom were almost unapproachable because of the flood of water still coming from above. The damage done amounted to about £40,000, all of which was covered by insurance.

The recovery from the effects of the disaster was remarkable. On the Sunday night heads of departments flocked to the scene and were joined by the directors living in the city. Consultations took place and preliminary arrangements were made for Monday morning's business. The offices were temporarily transferred to 119 Paisley Road, the dining-room block. Arrangements were also made for the temporary establishment of the departments displaced. The whole clerical staff, with the exception of about forty, was located in the west-end of the counting-house, and began before ten o'clock on Monday morning. The remaining forty were set at liberty till two o'clock, by which hour desks had been erected in the Clarence Street Hall, and there they resumed their duties. By eleven on Monday morning orders were being taken as usual, and the promptness with which work was commenced after the calamity spoke volumes for the organisation of the Wholesale. It is also worthy of note that the week's sales, despite the terrible upheaval, amounted to £206,247, which constituted a record for the Society. It was a trying experience for all who had any responsibility for carrying on the work, but even those who knew the wonderful capacity of the staff were amazed at the excellence of the arrangements made.

The new president might well grow grey in those early years of his office, for the Wholesale passed from one trouble to another, and these brought their own anxieties even if the Society passed out of them creditably. Irritating legislation was initiated in Ireland by farmers whose premises were in proximity to the S.C.W.S. establishment at Enniskillen. An action was taken to claim an injunction to restrain the Wholesale " from discharging noxious matter " into the lake. The pursuers claimed that the sewage from the piggery so polluted the water that cattle could not drink of it, and so their lands

were rendered useless for grazing purposes. The action was not reasonable. The Wholesale had created septic tanks for purifying all liquid matter coming from the piggery, and before that action was instituted the Society had undertaken to remove all possible causes of complaint, and the new system had almost been completed at the commencement of the action. The case, however, was decided against the Society. About the same time the Society figured as pursuer and as defender in two actions in the Court of Session. The lessee of the coal pit at Calderwood, a man named Armstrong, sued the Society for reduction of his lease, for repayment of £200 expended in working expenses, and for £750 damages, the action being founded on alleged essential error in entering into the lease. The S.C.W.S., on the other hand, sought to have the contract of lease ended, and Armstrong removed from possession of the subjects, and sued for payment of money advances. Armstrong denied that he owed any money. The Lord Ordinary granted the Society absolvitor in the action against them, and in the action which they brought he granted the decree in terms of the conclusion of the summons.

A much more important lawsuit arose in which the S.C.W.S. was particularly, if only indirectly, concerned. A popular taste in the West of Scotland had developed in favour of an exceptionally white loaf, and every effort was being made to cater for that taste. At very considerable expense the S.C.W.S. secured a plant which, by electrical treatment, bleached the flour in the process of milling. The Public Health Authorities in Scotland decided to test the legality of bleached flour. Other processes were in use for the same purpose by other millers, and we believe that in some cases the whiteness was secured by the use of added elements. The outcome of any legal proceedings was doubtful; but it appeared as if the authorities recognised that a test case would fail in its purpose if it were not properly and fully defended. A prosecution was instituted against the Uddingston Co-operative Society for having, in response to a demand for 1 lb. of flour, sold "a quantity of material which purported to be flour but which was not genuine flour." It was the first prosecution of the kind in Scotland. The basis of the charge was that, on analysis, the material was found to contain 3·43 *per million* of nitrates, which was in excess

of that found in genuine flour. The case came before Sheriff Shennan at Hamilton. The flour had been sold to the society by the S.C.W.S., and upon the S.C.W.S. lay the onus of defending its processes of producing flour. A special hearing had to be arranged for 25th March 1912, owing to the number of experts that had to be called to discuss the matter from technical and scientific points of view. Mr C. D. Murray, K.C., appeared for the Society; experts gave evidence on one side to prove how harmful 3·43 *per million*—not per cent.—of nitrates could be; experts gave evidence on the other to prove that the bleaching of flour by the Wholesale's methods did not involve any adulteration; but eventually it was decreed that the process did affect the flour to the extent stated, and that was, technically, a violation.

The miners' strike of 1912 gave most people in the country something to think about. It created a good deal of distress, and the S.C.W.S. delegates promptly voted £5,000 to alleviate that distress; but the subject falls to be dealt with more fully in a subsequent chapter.* In 1912 the agitation which had been proceeding since 1908 for the absorption of the Co-operative Insurance Society by the two Wholesale Societies reached its end, and the C.I.S. became a joint department of the E. & S C.W.S.

Another development which matured about the same time was the inauguration of the Scottish Co-operative Friendly Society.† A meeting of those eligible for membership was held in the Clarence Street Hall on 11th April, at which it was agreed to form the Society, and a provisional committee was set up with Mr Peter Glasse as president, Mr Robert Macintosh as vice-president, Mr James Sutherland as interim secretary, with whom was associated Mr John Pearson representing the S.C.W.S., which financed the preliminary proceedings till the Friendly Society was properly constituted. On 18th June a further meeting was held, when it was reported that the committee had received intimations from 2,645 employees of the Wholesale that they were prepared to join. Rules prepared were submitted; the society was formally constituted; appli-

* See Chapter XV.

† The Insurance and Friendly Society branches of the business form the subject of a special article in the Descriptive Section.

cation for registration was made and duly received. When these preliminaries were completed, Mr William Thomson was appointed secretary, and Mr James Sutherland was appointed treasurer. The society has had a singularly successful experience, and has been so well conducted as to merit special commendation from the Insurance Commissioners.

Meanwhile events had been crowding upon one another. Kinning Park Society made an attempt in 1910 to reawaken interest in the superannuation of directors; but the delegates would not even appoint a committee to consider the subject. The subject was returned to later, and a special committee, appointed in 1913, submitted schemes of superannuation for directors and employees. This was discussed in Glasgow in June of 1914, but the scheme was rejected.

In February 1910 the board lost ex-Bailie Stevenson, who had been a member in 1872, and who had been refused re-election, after the Ironworks debacle, till 1891, from which date till the week before his death he had served continuously and well on the board. He was a sturdy Kilmarnock Co-operator, whose best friend could not escape his wrath if he did not keep to the straight line. Mr Stevenson was succeeded on the board by Bailie George Thomson, also the nominee of Kilmarnock, who had the distinction of being the first director to be elected by ballot vote. On 30th April of the same year there passed away Mr John Allan, one of the promoters and the first secretary of the Wholesale, who had also been president of the Society from 1875 till 1879. The old veteran had lived to see fourscore years, and during all that time he had probably never lost a friend he had made. On the last day of April he was laid to rest in Janefield Cemetery, whither his remains were followed by three of his successors at the Wholesale—Mr Maxwell, Mr Stewart, and Mr Pearson; besides his old colleague, Mr James Deans, and a number of the S.C.W.S. officials who had worked under him. In August Mr John Arthur, Paisley Provident Society's nominee on the board, found it necessary to retire owing to ill-health, after twenty-three years' service. He carried the goodwill of the delegates with him into his retirement, and as an earnest of this they voted him a parting gift of a year's salary—then only £200. Unhappily, he was not long spared to enjoy his leisure, and in the following spring

he passed away. His place, in the meantime, had been filled by the election of Mr A. B. Weir, of Barrhead. His election was unique, in some respects, for it was the result of Barrhead's protest against the removal of the dress shirt laundry from Barrhead to Paisley—a change to which the Barrhead Co-operators strongly objected. Their objection failed because the protest was too late; but Mr Weir's nomination was an echo of the discussions on the subject. The year 1912 was particularly noteworthy for its changes in personnel. On 22nd January Mr Robert Nesbit, of St Cuthbert's, Mr Maxwell's successor on the board, passed away suddenly in a nursing home where he had undergone what was expected to be a slight operation. He had entered the institution on the Thursday in excellent spirits—as he nearly always was—and the operation was successfully performed on the Sunday; but on Monday the patient succumbed to heart failure. He had scarcely completed three years' service on the board. His record of service in St Cuthbert's, including eighteen years as treasurer, was a record entirely creditable; and no less creditable was his fourteen years' service as member of the S.C.W.S. staff prior to his election. He was succeeded by a fellow member of St Cuthbert's, Mr Charles W. Macpherson, a quiet, plodding, unassuming worker, who believed in doing one job at a time. Mr Macpherson was not destined to survive long. In November 1914 he was compelled to absent himself from his duties, and on 3rd February 1915 the end came. It was following his death that Bailie William Archbold was elected to the board; and it may be added that Bailie Archbold had the unique experience of being the first director to be elected with a clear majority over all other candidates at the first ballot. Mr Robert Watson, who had charge of the catering department of the S.C.W.S. for thirteen years, and who had managed the purvey department of the United Co-operative Baking Society prior to that, died in May 1912 after a prolonged illness; and a successor was found in Mr George Boyle, who filled a similar capacity in St Cuthbert's Association. In June of the same year Mr John Barrowman, the manager of the Dundee branch, whose activities have already been referred to,* retired from active service. His valuable labours were acknowledged by

* See page 112.

the delegates, who voted him the equivalent of two years' salary as a parting gift. The president, at the meeting at which this was agreed to, paid a striking tribute to Mr Barrowman's disinterested services to the Wholesale from the time he was elected treasurer in 1875. His old colleagues on the staff took the opportunity of offering him an evidence of their esteem in the form of a purse of sovereigns and a complimentary address, signed by Messrs Robert Macintosh, Ebenezer Ross, Allan Gray, and David Gardiner. The presentation took place in the S.C.W.S. boardroom, with Mr E. Ross in the chair and a big array of the heads of departments present ; and the speeches delivered by Mr Ross, Mr Macintosh, Mr Barrowman, and others were delightfully reminiscent. Two and a half years later, in January 1915, reminiscences were again in order though under more melancholy circumstances, for the veteran had passed to his reward, and he was laid to rest in the old Parish Churchyard at Tollcross, Glasgow, with the deepest respect his old Wholesale associates could show to his memory. Another old worker, who retired from service in 1912, was Mr James Davidson, the manager of the Society's building department. He had acted as master of works for many years, during which he had supervised the erection of many of the Society's properties 95 Morrison Street being his most noteworthy monument ; but he had also given his services unhesitatingly to the Convalescent Homes Association, and the committee of that association had taken means to show their appreciation of his interest in the erection of the Seamill Home and the extension of Abbotsview. He gave up his responsibility in 1912 ; but for a short time he retained a connection with his old department in a consultative capacity, the management of the department being handed over to his assistant, Mr William Mercer, who still retains the charge.

Two more changes have to be recorded. Within a month of each other, the one in June and the other in July, Mr Henry Murphy and Mr Isaac Macdonald passed away. Mr Murphy, who had been one of the first directors of the Lanark Provident Society, was president of that society in 1912 when its jubilee celebrations were in progress. He was a director of the S.C.W.S. in 1877 ; and he was on one occasion nominated for the presidency in opposition to Mr Maxwell. In his earlier

years on the board he created a good deal of stir, and when he was not on the board he did the same from the delegates' benches. In 1890, after some time out of office, he was re-elected to the board, and held his seat till death rendered it vacant. His progressive ideas and his cultured platform powers made him one of the best known Co-operators in the country. Mr Isaac Macdonald, on the other hand, was not a platform personality, and he dreaded the ordeal of being regarded as such. He was on the board in 1875, but retired at the end of that year. In 1882 he was re-elected, but the following year he found it necessary to retire again. So highly was he esteemed in Dumbarton that he was once more returned in 1888, and he remained till the end in 1912. He was a shrewd adviser, and his death was lamented by nobody more than by the heads of departments of the Wholesale who had frequent negotiations with him. The two vacancies in the board were filled at the same time ; but the dual election caused a good deal of lively interest, and it was not till a fifth ballot had been taken that Mr William Gallacher, of Larkhall, and Mr T. B. Stirling, the manager of the Vale of Leven Society, were declared elected. The melancholy tale of deaths in 1912 would not be complete without reference to the passing of one of the veterans of the movement who was scarcely known to the younger generation. This was Mr Robert Murray, of Barrhead, who, in his eighty-four years, had played a very important part in the Co-operative life of the community although his term of service on the S.C.W.S. directorate, commenced in 1880, was not of very long duration. He had been a familiar figure at Renfrewshire conferences ; but for a good many years before his death he had retired from active participation in Co-operative affairs. His death was the result of an accident which broke his leg, and his advanced years rendered him too weak to recover.

It would almost seem from what has gone that the new chairman's reign had been one of incessant trouble ; but it was not so. We have already enumerated some of the advances that had been made. In 1911 motor engineering* was added to the Society's enterprises. The dress shirt factory was removed to Paisley in 1912, and the Leith Co-operators, annoyed at losing their factory which was transferred to be

* See Descriptive Section.

under the same roof as the laundry, were consoled with the inauguration of a new hosiery factory. Numerous purchases were made for developments, including property at Kilmarnock (1912), the site of the valuable property at Smith Street, Kinning Park (1912), additional ground in Paterson Street (1913), the Ayrshire blanket mills at Galston (1913), the Wallace Street property (1913), additional ground at Shieldhall (1914), the St James Street site (1914) on which the Kinning Park aerated water factory has been erected, and the site and property between Dundas Street, Morrison Street, and Clarence Street on which the new grocery warehouse is being erected.

The most important venture of all was the West African enterprise.* It was not of the nature of what is known in international politics as the the "African adventure," which is the outcome of a spirit of imperialism and exploitation. The movement had been clamouring for sources of supplies of raw material which would place Co-operative factories beyond the power of capitalist concerns bent upon cornering these commodities. An agitation had been vigorously carried on in the Co-operative Press and on the Co-operative platform, and it was in search of supplies, chiefly for the margarine and soap factories, that the S.C.W.S. dispatched its expedition to the Gold Coast. Mr Robert Stewart, Mr James Young, and Mr Robert Macintosh had been on business missions before, but it is doubtful whether they undertook any mission of greater importance. They went to secure land upon which supplies could be cultivated under conditions which would give the natives no reason to regard Scottish Co-operators otherwise than as friends, and as a result of their journey valuable concessions were secured, the nature of which is described in the article on overseas enterprises. They set off in April 1914, and their journey occupied eleven weeks. Other deputations have gone there since then, but to those three must be paid the honours due to pioneers.

The West African mission had scarcely returned when the war cloud broke. The year had opened seriously enough for the Wholesale, for in January the boot factory at Shieldhall was gutted by fire, and very serious inconvenience was occasioned, while productive work was completely disorganised for a time.

* See Descriptive Section.

Such disorganisation as that could be got over, and was got over because of the resources of the Wholesale and the business capacity of the directors and staff. The disorganisation caused by the war was different, for the directors and staff were no longer masters of their own actions, and they had to bow to the stern necessities of war.

The greatest injury the war did was the injury to the propagation of the international ideals of Co-operation. For years internationalism in Co-operation had been preached. The idea came from France, and French Co-operators, appealing at the Co-operative Congress at Derby in 1884, had secured the appointment of a committee to promote correspondence with Co-operators abroad. British, French, and Italian Co-operators took up the new movement with vigour. At Carlisle in 1887 the British Co-operative Congress declared it to be expedient to form an International Co-operative Alliance "for the promotion of Co-operative organisation and social peace." Mr E. O. Greening—the companion and associate of Holyoake, Vansittart Neale, Judge Hughes, and other Co-operative giants of a generation ago—was the first secretary of the Alliance. A great meeting of representative leaders of European Co-operative organisations had been held in London in 1893, and this meeting paved the way for the first International Co-operative Congress, which was also held in London, in 1895. In 1896 and 1897 Congresses were held at Paris and Delft; but the pace was too fast in view of the difficulty of making arrangements for the proper organisation of the Congress and for the proper utilisation of the time at the disposal of the delegates. In 1900, 1902, and 1904 Congresses were held at Paris, Manchester, and Budapest; and at intervals of three years thereafter similar gatherings were held at Cremona, Hamburg, and Glasgow. These Congresses had brought the working people of Europe into closer contact. Co-operators from Glasgow and Edinburgh and Aberdeen had heard Co-operators from Moscow and Hamburg and Vienna and Paris and Milan making speeches, which, when translated at the Congresses, breathed exactly the same views as they themselves expressed. They saw how Co-operators in other lands were working to overcome the same economic and social disadvantages as beset Co-operators in this country. They began to understand one another better.

They began to see that human nature was much the same everywhere, and they were awakening to the fact that there is no river, or mountain range, or artificial frontier on one side of which all is virtue and on the other side of which all is vice and chicanery. Side by side with the International Congresses there had sprung up a movement for organised Co-operative tours in which those interested might take part. These, too, brought the Co-operators of the Continent in closer contact with ourselves; for whether the trips were organised to take British Co-operators to the Continent or to take Continental Co-operators to this country, the effect was the same—they broke down the barriers of misunderstanding which centuries of national prejudices and suspicions had raised, and they conduced to the spread of international amity and brotherhood. While Co-operators were being awakened by these international exchanges, the Socialist International and the International Federation of Trade Unions had also been at work breeding a spirit of kinship and comradeship among the working people of the world. The French and the German Co-operators, British and Russian Co-operators, Austrian and Italian Co-operators, descendants of those who had fought one another even in living memory, began to realise that, whatever their traditional ideas of each other had been, the peoples of the different nations had no animosity, and had no reason to have animosity towards each other; and the feeling grew that the spirit of competition and profitmongering—to which Co-operation in every country was opposed—had begotten the wars of the past. From Co-operative platforms in every country the competition of armament firms, which could only live on the proceeds of war or preparation for war, was denounced. At one international gathering after another Co-operators pointed out that, if the wild competition as to which nation could pile up the greatest armaments were allowed to continue, war would be the inevitable result. Politicians, on the other hand, said: Prepare for war and peace will ensue. The tragedy of 1914 gives melancholy testimony as to which contention was right. Rightly or wrongly, as readers of varied views may feel, the international Co-operative platform stood out for the limitation and ultimate abolition of armaments, for the eradication of racial prejudices, and for universal peace. In 1909, at the

Co-operative Congress at Newcastle, the delegates—prompted by the efforts of the *Daily Mail* to create bitterness between Germany and ourselves—passed a resolution denouncing these attempts to arouse feelings calculated to lead to war. Mr Stewart, the chairman of the S.C.W.S., seconded that resolution. It was not proposed because of any British preference for Germany; for, if the *Daily Mail's* efforts had been directed to creating enmity between France and ourselves, a similar resolution would have been passed with equal readiness.

In 1913, when the International Co-operative Alliance held its triennial Congress in Glasgow, under the presidency of Mr Maxwell, one of the most delightful events was the passing of a resolution by which the Co-operators represented by the Alliance pledged themselves to work for universal peace.* The resolution was supported by speeches from Mr Maxwell as representing Great Britain, M. Albert Thomas as representing France, Herr Von Elm as representing Germany, M. O. Dehli as representing the Scandinavian countries; and there were others less well known. The Congress was one of the most representative the Alliance had held. About eighteen countries were represented by delegates; but if the political divisions of Europe had been those that have resulted from the war, the number of states represented would have been about twenty-three or twenty-four; and two hundred of the delegates came

* The following is the text of the resolution:—"That this Congress fully endorses the action recently taken by the executive and central committees of the International Co-operative Alliance in order to manifest that it is in the interests of the Co-operators of all countries to do their best to uphold peace. The Congress emphasises once more that the maintenance of peace and goodwill among all nations constitutes an essential condition for the development of Co-operation and the realisation of those ends which are aimed at by this movement. The Congress further desires to impress upon the public opinion of all nations the fact that the reasons for the continuance of armaments and the possibility of international conflicts will disappear as the social and economic life of every nation becomes organised according to Co-operative principles, and that, therefore, the progress of Co-operation forms one of the most valuable guarantees for the preservation of the world's peace. The Congress, therefore, exhorts the people of every country to join our movement and strengthen their power. The International Congress of the Alliance declares itself in amity with all the Co-operators of the world, and welcomes any action they may take in this direction or in which they may participate. Congress also welcomes all demonstrations made or to be made by other organisations with the same aim."

from countries outside of the United Kingdom. The membership of the Co-operative organisations in the countries represented exceeded twenty millions, and, as in this country, most of these members were heads of families, so that the great peace resolution was carried with enthusiasm by delegates speaking in the name of nearly a hundred million people with Co-operative interests. A hundred million Europeans of common aim could make war impossible. The resolution thrilled the imagination and gave rise to a hope of a glorious future when the wisdom of the people of the world would find some amicable means of settling their disputes without recourse to the red arbitrament of war ; but, less than a year later, the war-cloud burst, and to Co-operators all over Europe, who had cherished the hope of "a world safe for democracy"—to anticipate President Wilson's great ideal—the coming of war with all its horrors seemed to sweep away the pillars upon which the whole future rested.

The first concern of the S.C.W.S. staff was to avert the food panic to which the nation seemed to be rushing headlong even before Great Britain declared war, and for its services in that direction the nation owes a measure of gratitude to the Wholesale and its staff that is not yet fully paid. This first great service was of incalculable value. Britain had scarcely become a belligerent when the employees in the various departments met, and decided to levy themselves weekly for relief funds which they knew would be indispensable. The directors decided that employees who were Territorials or Reservists, all of whom were called out, and those who volunteered for service with the Colours, should have their jobs kept open for them, and should be paid an allowance which, added to their military pay, would leave their dependants in the same position financially as when the employee was at work. In the first month of war 300 S.C.W.S. employees went to the Colours. At the first meeting of the shareholders they voted £5,000 to the Prince of Wales' Fund, £500 to the Belgian Relief Fund, and £500 extra for hospitals in view of possible needs. Horses, motor cars, and material were commandeered. The factories of the Wholesale were put at the disposal of the Government for the production of clothing and boots and foodstuffs, and the whole great trading organisation which had taken nearly fifty years to build up

was similarly devoted to the public service. Nevertheless, the Government failed to realise what all this meant, and at times it would seem as if the Government was bent on putting obstacles in the way of a Co-operative contribution to the great task of saving the country. This mentality on the part of the Government was inexplicable. The competitive system had broken down completely. The Government had had to abolish competition so far as railways were concerned. The banks, threatened with chaos, had to be closed for extra "Bank Holidays," to give their managers time to think and to consult with the Government, and the famous Moratorium was declared. Shops were invaded for supplies, and the wealthy crowded down to shops in working-class areas to buy up sugar which was, in consequence, raised to 6d. per lb., while Co-operative stores kept selling normal supplies to members at the old price of 2½d. per lb. The managers of a few co-operative societies that had been purchasing goods from private merchants found their sources of supply gone—except at ransom prices—and had to fall back upon the Wholesale Society for goods. It taught them a lesson; and, although it imposed an added demand upon the resources of the Wholesale, their demands were met as few of the large commercial houses could have met them, and at prices which were not influenced by any profiteering instinct. The economic usefulness of the S.C.W.S. during the war period falls more properly into the scope of a subsequent chapter;* but these preliminary experiences must be dealt with here. One other act may well be disposed of in this chapter. Calderwood Castle was handed over to Belgian refugees; and in the beginning of October there were about 200 of them housed there, and were able to rest there, with some peace of mind, amid charming surroundings well calculated to make them forget the singing of the shells and the sight of devastated homes and shrines, ruined fields, and reddened rivers. It was not exactly "home" to them; but they did feel a sense of restfulness when they approached the castle for the first time by the stately avenue, and their eyes drank in the beauties of the glen, the glories of the wooded slopes, the surging Calder, and the wonderful charms of the lovely estate. The Belgian guests at Calderwood were well fed and all their

* "The Economic Influence of the Wholesale."

ELEVATION OF NEW GROCERY WAREHOUSE, GLASGOW, NOW NEARING COMPLETION

LEITH GROCERY AND PROVISION WAREHOUSE, LINKS PLACE

material wants were well attended to. There were one or two deaths during their stay, children were born, and marriages took place. A school was established with a Belgian teacher. The refugees were nearly all Roman Catholics, and a priest travelled to Calderwood every Sunday to conduct their services in the large hall provided by the Wholesale. One of the Society's motor cars was put at his disposal to convey him there from Glasgow and to take him home, and this consideration was highly appreciated by the Catholic authorities and warmly commended by the Catholic press. Social gatherings were arranged at frequent intervals, and a real St Nicholas festival was held every Christmas, when gifts were presented to young and old alike. Not least of the services rendered to them was in the supply of clothing when the first contingent arrived—those who had had to fly without preparation. The refugees were made to feel at home if that were at all possible. The president of the S.C.W.S. took a lively interest in the welfare of the Belgians; but the way in which Mrs Stewart mothered the party from the first contingent's arrival till the end of the war was something that, perhaps more than any other consideration shown them, tended to dispel the gloom of their exile.

The Wholesale had a good deal of work on hand when the war interfered. Several building extensions, for example, were in contemplation or required; the trade unions were appealing to the directors to carry on so as to prevent unemployment, while the delegates were warning the directors against embarking upon these undertakings at a time so fraught with uncertainty. Factories had to be kept going, but people were reluctant to spend money on boots or clothing unless they were almost compelled to. The Government settled these problems in its own way. It restricted building on the one hand, and it monopolised much of the productive capacity of the S.C.W.S. by issuing orders for cloth and clothes and boots and food. The food supplies were kept up by the Wholesale so long as supplies were obtainable. Prices were kept down so long as that was possible. The Wholesale, however, did not manufacture everything; for raw materials for many of its factories it had to depend upon the markets; when it found supplies of goods, it had to satisfy the demands of the shippers; when supplies of sugar were allotted to it by the Sugar Commission, no regard

was paid by the Commission to the fact that the membership of societies had increased enormously owing to the influx of people who resented profiteering.

The whole Co-operative movement took the field at the beginning of the war to demand Government action against the ramp in prices. The Government professed its inability to control prices or to control freights, although the Wholesale Society's entire machinery was at its disposal to prevent prices from rising, and its evidence was available to show when prices rose needlessly. Flour, tea, sugar, margarine, bread, and other necessaries were being sold to the stores by the S.C.W.S. at prices at which managers could not buy elsewhere. That was why the membership of the societies grew and why the sales from the Wholesale and the productions in the S.C.W.S. factories went up so rapidly as they did. The Aberdeen Northern Society, which owned its own steamer for carrying coal from Newcastle, found that 6d. per ton added to the pre-war freight covered all the extra war risks, extra insurance, and increases in the wages of sailors and dockers; while the freight of coal carried in privately owned vessels from Newcastle to London (the same distance, the same risks, and the same increases in wages, insurance, and charges) was increased by 11/ per ton at the beginning of 1915; and this society sold its coal at only one shilling per ton more to the members than in pre-war times. But the Government said it "could not" control either freight or coal, although it did so eventually. When it did begin, prices had almost reached the limit that patience would stand, and it almost invariably happened that the control of price was a signal for the commodity to disappear from the market. The president put it very concisely at one of the Wholesale meetings when he said that the profiteers had no particular reason to quarrel with the Controllers, for the Controllers or their Commissions gave ample evidence that the interests of brokers, commission agents, and other middlemen—to say nothing of the railway and shipping shareholders and the farmers—were to be considered before the interests of the consumers on whose behalf Control was inaugurated. Co-operators, agreeing that Control was desirable, exerted themselves to have Control so exercised that the consumers would gain; but they gave up the attempt as hopeless.

The "excess profits" duty, which was advocated by Co-operators early in 1915 as a means of keeping down prices, was eventually resorted to. It was badly applied, because it provided in effect that the sellers could make what profit they pleased so long as they shared with the Treasury. It was made, also, to apply to Co-operative societies, which, according to the Government's own experts, did not make trade profits at all. As originally applied, it meant that if the surplus divided among the members of the society was more than in the standard period, the tax was imposed. The effect was anomalous. Prices had gone up by almost fifty per cent. A member of a society who bought £10 worth of food found it necessary to pay £15 for the same goods. With a dividend of 10 per cent. on purchases—20/ in the first case and 30/ in the other—his net outlay meant, at the two periods, £9 and £13, 10s.; so that, while the altered circumstances represented a net loss of £4, 10s. he was charged excess profits duty on 10/. Subsequently the procedure was changed, and the tax was not imposed unless the rate per £ of dividend was higher than in the standard period; but the change was not obtained without a great deal of agitation. Mr Bonar Law, in time, did confess in the House of Commons that the tax had applied to Co-operative societies in a way that was not intended, which must have been true when it is observed that a society's "profits" might be greater in amount than before, owing to the increased prices, while the rate of profit was lower. As it was, the Co-operators contended that the tax should operate as a means of keeping down prices, whereas, as the Government designed it, it was meant as a source of revenue, and did not lower prices except in Co-operative stores. Besides, Co-operators felt that the dividends which went to them on purchases were equivalent to a reduction in price, and as the society could not make profit out of itself, there was no just reason why the tax should be imposed upon them even if the rate of dividend rose. The traders, the Chambers of Commerce, and even the Convention of Scottish Burghs, all combined, however, to demand that Income Tax in addition should be imposed upon dividends.

The constant irritation arising from the disposition of the Government to ignore the consumers' big Co-operative organisation led to one important change in Co-operative policy.

Referring to these matters at the September meeting in 1916, the president declared: "We must organise the Co-operative vote in such a way as will force the Government to listen to our demands." Six months later, in April 1917, the Scottish National Co-operative Conference declared for political action; at the annual Co-operative Congress at Swansea in the same year the whole movement similarly decreed for political action. The Government's methods still tended in the same direction; a special emergency conference was called in London later in the year, at which the constitution of the Co-operative political organisation was drawn up; in 1918 the first Co-operative candidate had fought on the Co-operative ticket alone in a Parliamentary election, and in 1918 three Co-operative candidates contested Scottish constituencies in the General Election—Mr H. J. May in Clackmannan, Mr J. M. Biggar in Paisley, and Mr Peter Malcolm in Kilmarnock. Thus the Government's contumelious methods during the war drove the Co-operative movement to do what it had persistently declined to do during a period of twenty years in which the advisability of using the political weapon had been discussed. It did more, for while the movement had discussed a proposal by Mr Maxwell for a fusion of Co-operation with other forces aiming at the emancipation of the workers, the Co-operative Congress, in 1917 at Swansea, and the Trade Unions Congress in the same year set up a national advisory council of Co-operators and trade unionists, the members of which were appointed by the Central Board of the Co-operative Union and the Parliamentary Committee of the Trade Unions Congress; while the Scottish National Co-operative Conference formulated a constitution for a Scottish Co-operative and Labour Council on which Co-operators were appointed by the S.C.W.S. and the Scottish Sectional Board of the Co-operative Union, trade union representatives were appointed by the Parliamentary Committee of the Scottish Trade Unions Congress, and members were also appointed by the Scottish Labour Party. The first result of these creations was seen in the close co-operation of Co-operators, trade unionists, and Labourists at Parliamentary and local elections; while any other matter of common interest to these bodies was within the scope of their charter from the constituent assemblies of all three movements in Scotland.

Societies in Scotland that did best for their members and which attracted most recruits readily acknowledged that they had been able to do so because of the great strength of the Wholesale Society. How the Wholesale benefited the societies is best indicated by the fact that in the first four years of war the membership of the retail societies increased by 115,000—an increase greater than had been registered in the ten years preceding the war, although as the years advanced the field for recruiting grew more and more restricted.

The five years of war brought troubles apart from those for which the war was responsible. In February of 1915 Chancelot Mill was involved in a fire. Damage was done to the extent of nearly £1,000 ; but in view of the disaster that might have resulted, the Society's shareholders were happy to have escaped so lightly. The directors were periodically criticised for being affiliated with organisations like the masters in the printing and kindred trades and several Chambers of Commerce. The view was generally held that nothing was to be gained from association with such bodies, and the board's only justification for membership of the Chambers of Commerce, like that of other members of such bodies, was that it was in their trade interests. In most cases, however, their connection with such bodies ceased. So far as the masters' federations were concerned, the board had little option as some of the larger trade unions would only deal with bodies representing all the employers ; but where possible the board has kept free from entanglements with such associations.

Death made further inroads upon the directorate. Mr James Wilson, who had been a member of the board since 1908, and who had had a varied Co-operative experience, was seized with a heart attack in London, but he was able to be conveyed home to Dunfermline where he died in January 1914. A man of regular and temperate habits, he was not averse to work while his strength lasted, and notwithstanding his searching criticisms and readiness for debate, some of his best and most intimate friends were those who were oftenest measuring blades with him. His successor was the treasurer of the Dunfermline Society, Mr John Bardner. Mr John Macintyre, who had been a director from 1877 till 1882, and who had been manager of the potato department of the S.C.W.S. till his retirement in

1914, passed away before Christmas of that year. Mr Peter Glasse, a Trojan worker in his day, passed away in March 1917. Mr Glasse was in fighting form till a few weeks before his death, when he had an experience such as had been common to him. He had acted as a sort of godfather to the Society's retail branch at Aberfoyle, and at his suggestion a good deal of propaganda had been engaged in in the district. A lecture and concert, and a distribution of samples of Co-operative productions, had been arranged for Bucklyvie in February. The hall was secured, and on the day preceding the event Colonel Crawford, who had control of the hall, gave orders that the meeting could proceed only on the understanding that there must be no speeches on behalf of Co-operation. The meeting was abandoned in consequence of this order. Mr W. C. Anderson, at the request of the Glasgow Civil Liberties Committee, asked in Parliament, on 19th March, as to the authority for such procedure; but no answer was forthcoming, except that the matter would be inquired into. A year or two earlier such a happening would have given life to Mr Glasse; but his death took place on the day following Mr Anderson's question. The vacancy in the board was filled by the election of Mr Hugh Campbell, the secretary of Cowlairs Society, who had long been a regular attender at Wholesale meetings. The election was noteworthy, for it produced the first woman candidate for the board in the person of Miss Clarice M'Nab, the daughter of Mr T. C. M'Nab, a former director; but her total vote was only 98, which gave her sixth place in the first ballot against Mr Campbell's 333.

Meanwhile progress was being made at a phenomenal rate. Despite the war, properties and possessions were being multiplied. Retail branches* were opened at West Barns and Buckie in 1914. In connection with the latter it is worthy of note that efforts had been made by another body to organise the fishing population on the East coast on lines which were not satisfactory. The idea was that the fishermen, by paying a subscription, would be entitled to a card which, on its being presented at certain shops in coast towns, would secure them a special discount. It was not a new idea. It had been practised before; but it did not eliminate the interest of private

* See Descriptive Section.

profit as Co-operative trading did. The scheme was resented, and exposed in the *Co-operative News* because of its unco-operative character and because, while the body promoting the scheme professed to be friendly to the Co-operative movement, it attempted to inaugurate this scheme when the S.C.W.S. had agreed to establish retail stores at Buckie, Peterhead, and Banff, and had already its propagandist in Buckie enrolling purchasers and making the preliminary arrangements. The promoters and the Co-operative Union had some correspondence on the subject, and no more was heard of that unco-operative venture. The retail branch at Aberfoyle was opened in March 1915, and the Forres, Banff, and Peterhead branches followed very shortly afterwards. A grain buying depot was opened, and the Crichie meal mill, at Fyvie, was acquired in 1915; property being secured in Dall Street and Poplar Lane, Leith, before the close of the year. In 1916 additional ground was bought at Shieldhall, and at last land was bought in Canada for grain-growing purposes. This was the Weitzen farms at Forgan (Sask.), extending to 10,000 acres. It was bought as a joint property for the two Wholesale Societies; but it was only intended as the first instalment of Co-operative grain-growing land; and a small instalment it was, for it was calculated that the S.C.W.S. alone would require about 250,000 acres to grow the grain needed for its own mills. Nevertheless it was a beginning, and the removal of obstacles in the way of shipping and importing may see further additions to the Wholesale's Canadian possessions. It had even been proposed in 1915, at the June meeting, that the Wholesale should acquire ships for its own overseas trade; and there was a healthy discussion on this proposal, which emanated from the Douglas Water Society. This big question was remitted to the directors; but war conditions made it then impossible to regard the project as at all practical. An important venture was the purchase of the Taybank jute works* in 1917, which brought another new industry to the Wholesale. The purchase of the Springside estate at West Kilbride (1917), ground at Crookston Street, Glasgow (1918), additional ground at Bladnoch (1918), Girtrig meal mill, Ayrshire (1918), additional creameries in Wigtownshire and Ballymoney (Ireland), and ground in

* See Descriptive Section.

Scotland Street, Glasgow (1918), also showed how the Wholesale was preparing for greater activities when the period of reconstruction dawned.

Greater preparations were being made, for the directors of the two Wholesale Societies had been considering the question of closer working agreements, and, in 1916, they were even approaching the question of amalgamation. The S.C.W.S. delegates raised no serious objection to these deliberations so long as the directors recognised that the S.C.W.S. could not be committed to amalgamation without the consent of the shareholders. The directors fully realised that. There was a growing desire in the minds of the C.W.S. to get closer to the Scottish Wholesale in connection with joint productive efforts. The Scottish Wholesale directors, on their part, were exceedingly anxious to do all they possibly could to assist the C.W.S. directors, as the C.W.S. were willing to assist them ; because it was for the welfare of the movement. The S.C.W.S. were associated with the C.W.S. in Ceylon and India, and also in Africa ; a deputation had gone to Canada, and the C.W.S. had made the request that they should be allowed to appoint representatives to accompany that deputation with a view to co-operating with the S.C.W.S. The working agreements were linking up great interests, and many post-war schemes were being planned.

The deputation which went to Canada and the United States in 1916 represented the two Wholesales—Messrs W. Lander, T. G. Arnold, A. H. Hobley, and James Lord from the C.W.S., and Messrs T. B. Stirling, J. Bardner, and W. F. Stewart from the S.C.W.S. It was on their joint recommendation that the Weitzen farm was purchased, but they also recommended the fusion of the interests of the two societies in Canada and the United States. These proposals had been considered by the two boards, and were further considered; and a draft of a proposed agreement was discussed at the September meeting in 1917. The agreement was simply an extension of the existing partnership which covered the tea warehouse in London, the cocoa works at Luton, the tea estates in Ceylon and Southern India, and the branch at Accra (West Africa). It was proposed to provide a new agreement to cover the S.C.W.S. Winnipeg depot, the wheat elevators and investments in Canada ; Weitzen

farm (Canada) ; the C.W.S. depots at Montreal and New York ; the S.C.W.S. property, leases, and land concessions at Dominose and Ayenasu (Gold Coast) ; the C.W.S. property, leases, and land concessions at Sierra Leone and Lagos ; and the C.W.S. African oil mill at Liverpool. The tea agreement provided that the C.W.S. should provide three-fourths of the capital required, and the S.C.W.S. one-fourth ; and that the representation on the committee of management should be in the same proportions. The S.C.W.S. directors had decided, by a majority, that the same arrangement should cover the interests now proposed to be included. There was a minority of the board which thought that capital and representation should be equal from both societies, and these terms were discussed when the proposal came before the quarterly meeting. In the end a decision was delayed, on the motion of Mr D. H. Gerrard, and a vigorous discussion was carried on in the Co-operative Press for the better part of three months. The S.C.W.S. president was very strong in urging that after the war it would be necessary to link up with the interests of the C.W.S. in Spain, Denmark, Montreal, and New York, in a way in which they had not been linked up in the past. The S.C.W.S. had no money invested in these, and it was only as a matter of courtesy that the C.W.S. consulted them regarding butter from Denmark, fruit from Spain, and other such matters. They were charged for a share of the expense, and there was a commission charge ; but that was all. The board thought there should be some proper agreement that would link up all these various agencies. When the matter came before the December quarterly meeting there was a battle royal on the question of representation and capital, Mr Gallacher putting the case for the minority on the board ; but by 600 votes against 164 the terms of the agreement were approved, and thus the S.C.W.S. delegates gave their impetus to a big movement with almost unlimited possibilities.

It is fitting to close this chapter with a reference to the increases which had been recorded to the credit of the Wholesale Society during the last and greatest decade of the five represented by its fifty years and the first decade of the new president's regime. Every year of the decade had marked a big onward stride, for the success of the Wholesale in catering to advantage for the retail societies had increased the membership

of these societies, and that in turn created a demand for fresh enterprise on the part of the S.C.W.S. During the ten years covered by the chapter, the shares held by societies—one for each member—had increased by 204,334; the shares held by employees had increased by 11,585; the capital by £2,481,523; and the net sales by £11,685,637. During the ten years the "profits" available for distribution to the purchasers amounted to no less than £3,736,987. It was a remarkable advance; for, while prices were higher, there was a great clearance of healthy young Co-operators into the Army, and their supplies were not required from the Co-operative stores; but there was also an enormous increase in the quantity of the goods sold. The amount of the increase in sales, £11,685,637, is higher than the total amount of sales for the year 1915 when the S.C.W.S. had been forty-seven years in existence. The increase was accounted for by the fact that Co-operation had been discovered to be a bulwark of defence for the consumer. As for the directors who conducted these great operations, it could not be alleged against them that they were feathering their nests. Once, in the course of the war, it was proposed to increase their salaries; but the proposal was disapproved of by the delegates. It was renewed in 1916 when the directors received increases which gave the president £400, the secretary £375, and the directors £300 each when the trade was about 14½ millions per annum. In March 1918 each was granted a war bonus of £50 per annum which brought the emoluments up to £450 for the president, £425 for the secretary, and £350 for the directors—approximately 40 per cent. over pre-war rates.*

* In March 1919 the War Bonus was increased by £100, and later in the year the bonus was merged in salaries and a further increase voted which made the salaries of the president and secretary £600 and of the directors £500.

XIV.

A JUBILEE YEAR VIEW OF "THE WHOLESALE."

A MONUMENT TO THE ABILITY OF THE WORKING-CLASSES—THE SENSE OF COLLECTIVE INTEREST, OWNERSHIP, AND SAFETY—THE WHOLESALE'S CAPITAL AND RESERVES—HOW WISE DEPRECIATION HAS STRENGTHENED THE ASSETS—GIGANTIC TRADE AND THE RETURN TO THE PURCHASER—THE SOCIETY'S WIDESPREAD RAMIFICATIONS—CO-OPERATIVE IMMUNITY FROM BAD DEBTS—THE MEN WHO DIRECT THE BUSINESS—THE EMPLOYEES' VOICE IN THE CONTROL OF AFFAIRS—SUPREMACY OF THE "QUARTERLY MEETING"—VOTING RIGHTS DETERMINED BY PURCHASES AND NOT BY CAPITAL INVESTED.

THE foregoing chapters have described the steps by which the S.C.W.S. became what it was in its Jubilee year, and so far as possible they have attempted to indicate the conceptions of the men and women who worked for its establishment and for its progress. We have come to the stage when we have to attempt to present to the reader a picture of what the Scottish Co-operative Wholesale Society is after fifty years of labour by those who deemed it an essential part of the machinery by which consumers might protect themselves from exploitation and ease their economic burdens. If, before the end of the chapter is reached, readers not interested in Co-operation feel tempted to say that greater concerns have been created in shorter periods, we must beg them to remember that the S.C.W.S. was the creation of men of the same class that created the smallest village store of which the reader has any knowledge. They were men, except in rare cases, whose income never rose above the pittance paid to the artisan or the labourer, and sometimes the irregularly employed artisan or labourer. They could not save much money because more than they earned was required for food, and, not having money or possessions of their own, they could not call up large amounts of capital as some of the get-rich-quick company promoters of to-day can. There were cases in which money would have been

advanced to these men by employers and others because of their own sterling character, but help of that kind was regarded as derogatory and was never sought or accepted except in very few cases.* In the case of the Wholesale Society there was no money from such sources; and, as we have pointed out in the story of the Wholesale at the period of the Ironworks disaster, ordinary trade credit was sometimes refused to the S.C.W.S. This has to be borne in mind when contemplating the structure of the Scottish Co-operative Wholesale Society.

Allowing for these handicaps, the S.C.W.S. is an organisation which wealthy, educated, and successful business men would be happy to call their own, and is an organisation to which the Co-operators of Scotland point with the greatest possible pride. It is a great distributive agency which regards no commodity, except alcoholic liquor, as outwith its scope, and there are few commodities it does not supply to its shareholding societies. At the end of the Jubilee year it had 261 members (all registered societies), which held 597,883 shares on the basis of one share (20/) per member of each society; besides which 25,791 shares (20/) were held by the Society's own employees. Of the total share capital only £2,583, 11s. 1d. remained unpaid. The total paid-up share capital of the Society, therefore, amounted to £621,090, 8s. 11d. If by any mishap that were lost no individual Co-operator would lose more than 20/, and it is this sense of collective interest and ownership and safety which gives strength and prestige to the S.C.W.S. A society or an employee, applying for shares—which are transferable and not withdrawable—must deposit not less than one shilling on each share taken. The unpaid portion of the shares may be paid up from dividend or interest; but any member may pay up shares in full or in part at any time. No member whose shares are not fully paid up is allowed to withdraw either dividend or interest. By these methods the £621,090 of share capital has been accumulated.

That would not be sufficient capital to run a business of the dimensions of the S.C.W.S., and the Wholesale therefore relies upon the loan capital, or deposits, entrusted to it by its members and employees—and to a limited extent by non-members.† These deposits amounted to £3,925,205, 11s. 9d. at the end of

* The number may be regarded as less than a dozen in Scotland.

† *I.e.*, members of retail societies.

1918, and were, of course, at the call of the owners either on demand or at six months' notice of withdrawal. The rates of interest, which are fixed by the members, vary according to the category in which the capital is placed by the depositor; but in 1918 the rates paid were: members' share capital, 5 per cent.; employees' share capital, 5 per cent.; members' deposits, six months' notice, 4½ per cent.; at call, 3 per cent.; employees' deposits, six months' notice, 4¾ per cent.; one month, 3¾ per cent.; deposits from members of retail societies, six months, 4 per cent.; one month, 3 per cent. These funds are available for the business of the Society; but, in addition, the Society has reserve and insurance funds which amounted to £1,227,273, 7s. 6½d. Of this sum, £607,093, 16s. 1d. belonged to the reserve fund proper. This fund was inaugurated at the commencement of the Society, and, almost from the beginning, it has been a rule that ½d. per £ on the net sales should be allocated to this reserve, which must only be used for business purposes. When opportunity has arisen, additional sums have been added till, as the figures given show, the reserve fund was only £13,996, 12s. 10d. short of the £621,090, 8s. 11d. of share capital—a fact that gives the Co-operative societies additional confidence in the Wholesale. The insurance funds of £410,214, 0s. 6d. are also included in the total reserves. These funds have been accruing since 1879, when the first sum was set aside chiefly for the insurance of sea-borne goods. The fire insurance fund covers a percentage of all the risks to which the Society is exposed, and even the whole risk is taken in certain cases. Stocks not covered by the Society's policy are insured under this fund. The marine insurance fund covers all the risks of coastwise freight, and it may cover risks on ships from foreign ports up to a limit of £750 for any one vessel. The accident and employers' liability funds cover the Society's liability for accidents to officials injured while travelling on the Society's business or to workers pursuing their ordinary employment. The guarantee fund was instituted to cover losses due to any defalcations on the part of employees entrusted with the handling of money. The funds are raised by premiums charged against each of the departments, and interest on the total fund is also added each half-year. The amount of the premiums for the last half-year of 1918 was £514, 4s. 6d.

The balance-sheet* for the half-year which ended in December 1918 showed assets to the amount of £6,774,794, 13s. 8½d., which showed a surplus of £1,231,163, 14s. 4½d. over the liabilities. That is a healthy state of affairs, but it scarcely reflects the full strength of the Society's position, for the Society's rules provide for a depreciation of not less than 5 per cent. on buildings, 20 per cent. on live stock, and 10 per cent. on fixtures. From the Society's commencement it has expended £107,582, 0s. 3d. on land; £1,330,475, 4s. 7d. on buildings; and £821,062, 12s. 4d. on plant, etc.—a total of £2,259,119, 17s. 2d. This has been depreciated to the extent of £1,567,392, 10s. 6d., and the value of these assets on the books of the Society to-day is only £693,848, 19s. 1d., or considerably less than a third of the value. In this connection it has to be remembered that much of the land the Society owns has appreciated in value, and that a good deal of the property included in this value is comparatively new, and the process of "writing off" has not operated long so far as it is concerned. The best example of depreciation is provided by the palatial central premises in Glasgow. These have cost £156,000, but they are included in the assets as having a nominal value of only £24,062. The expenses of management, interest on capital and deposits, reserve fund, and depreciation are provided for before the net profit is declared. From the net profit 1¼ per cent. is allocated to the special fund from which donations to charitable, social, or other purposes of public of Co-operative utility are voted. The balance is divided in proportion to purchases, non-members receiving half the rate of dividend allowed to members.

The financial stability the figures quoted show has proved to be a great boon to the people of Scotland who share in the operations of this great concern which does a trade which, growing year by year at an amazing rate, reached £19,216,762, 18s. 7d. in the Jubilee year, and which yielded the members a return of £481,318, 0s. 8½d. of net profit, divided among them in proportion to their purchases. During its fifty years the Society's sales amounted to £226,561,172, 7s. 6d., on which the net profits, allocated as above, were £7,767,552, 2s. 8½d., which went to swell the dividends paid by the retail societies

* See Appendix IX.

or, as it happened in many cases, helped to reduce prices charged to the members of these societies. The Society which made its humble beginning as a productive concern in 1882, and which had a productive output of the value of only £4,094 in 1883, reckoned its productive output for 1918 at £5,180,602, 1s. 2d.

The modest men who pioneered the Wholesale Society never conceived, even in their most extravagant dreams, that in fifty short years their Society would be selling goods to the value of 19¼ millions and producing goods in its own factories to the value of over 5 millions a year; but their creation had reached that stage when its Jubilee was celebrated. The Society has its creameries and its milk-collecting centres;* its pig-breeding establishments and its sausage factories; its palm-growing land in West Africa and its soap and margarine factories; its grain-growing land (in partnership with the C.W.S.) and the largest milling establishments in Scotland, the Chancelot mill being the most handsome flour mill in Britain, and the Regent mill an historic relic of the Stuart days. The Society spins its wool and its jute in its own mills, and weaves its own cloth. It startled the War Office by accepting an order for thousands of uniforms, and undertaking to spin the yarn, weave the cloth, and make the suits under its own roofs. It made hundreds of thousands of uniforms for soldiers of our own and the Allied armies. It has its own tannery, where it makes at least part of the leather used in its own boot factories. It owns (with the C.W.S.) substantial tea estates. It cures its own fish, and may, before long, own its own fishing fleet. It builds motor vehicles for its distributive trade, and the trade of its shareholders. It has its own box-making department, in which it produces its packing-cases, and also manufactures cardboard boxes, paper bags, and tinware goods; and its own building department erects its factories and its warehouses and its offices. It is prepared to do all the banking and insurance and trade of the half million Co-operators in Scotland and their families.

It has had some bad debts in its time; but, to the credit of the Co-operators of Scotland, it has to be said that these,

* These departments are all dealt with separately in the Descriptive Section.

on a trade of 226½ millions during fifty years, amounted to only £10,677, 12s. 2d., or 1·13d. per £100 of sales. That is a record of which Co-operators are specially proud. Cash trading is the Co-operative ideal; but there are difficulties in the way of adhering to strictly cash terms in a big business like the Wholesale's. The S.C.W.S. only grants a maximum credit of fourteen days. Accounts outstanding in excess of fourteen days are charged interest at the rate of 2½ per cent., and in cases where the debt exceeds one month's purchases the rate of interest charged is 5 per cent. In order to save themselves from this charge, societies may prepay accounts, in which case the Wholesale allows interest to the Society at the rate of 2½ per cent.

Who are the men who are responsible for the conduct of this business? The shareholders are working-people in the retail societies who cannot afford to be exploited, and they naturally place this great business of theirs under the control of those whom they can trust as directors. These directors are twelve working-men like themselves who have the Co-operative conscience and who have acquired Co-operative ideas and experience. Of the twelve directors who piloted the Society through the Jubilee year, two were carpenters till their fellows called them from the bench to the boardroom, two were Co-operative store managers, two filled clerical appointments with Co-operative societies, one was a miner, one was an insurance agent, one was an engineer, one a tool-setter, one a mason, and another a moulder. In respect of vocations the board of the Jubilee year was typical of the boards that had gone before, except that in the earlier years the directors attended to their jobs by day and attended to the Wholesale's business by night. These directors are elected by the shareholding societies for a period of two years, at the end of which period they come up for re-election; but the shareholders who call these men from their trades are never disposed to oppose them seriously when their period for re-election comes round, and since 1905 there has been no candidate pitted against a retiring director. The elections are arranged so that only three retire at one time, and the continuity of direction and policy is therefore provided for. The president is elected *ad hoc*, as also is the secretary, and the other members are elected as

THE DRAPERY WAREHOUSE

OLD FRONT, WALLACE STREET

NEW FRONT, MORRISON STREET

SHIRTINGS, SHAWLS, AND DELAINES DEPARTMENT

GENTS' SHIRT AND COLLAR DEPARTMENT

"directors." The only condition essential to render a nomination valid is that the person nominated (man or woman) shall have been, at the time of nomination, a *bona-fide* purchasing member, for at least five years, in societies enrolled as members of the S.C.W.S. Canvassing in any form by, or on behalf of, a candidate is a disqualification. The board resolves itself into three committees, the president being *ex officio* a member of each. The committees are as follows. The property and finance committee consists of four members, two of whom act as conveners for property and finance respectively. This committee supervises all matters relating to the various properties and financial arrangements of the Society. The grocery committee consists of four members, two of whom are conveners. This committee supervises all grocery distributive departments, with the allied productive departments. The drapery and furnishing committee consists of four members, two of whom are conveners. This committee supervises the drapery, furniture, and boot departments, with their allied productive works. The board meets as a general committee weekly; receives reports from the various conveners, and deals authoritatively with any matters which have been receiving the attention of the sub-committees during the previous week. The directors are responsible to the shareholders for the proper conduct and control of all the business of the Society in accordance with the rules registered under the Industrial and Provident Societies Acts, and the shareholders' delegates who appear at the quarterly meetings usually take care that the directors answer for anything that requires explanation.

The membership of the Society is open to all Co-operative societies registered under the Industrial and Provident Societies Acts, subject to the approval of the quarterly meeting. Objection is sometimes taken to the admission of a new society member, but on such occasions it is usually due to the rules or objects of the society being contrary to Co-operative principles as understood by the S.C.W.S. and the Co-operative Union, or because the new society represents an undesirable secession from another society.* The employees of the Wholesale are also entitled to hold shares, but no employee shareholder may have less than five or more than fifty shares.

* See page 208 *et seq.*

The rules of the S.C.W.S. provide that the Employees' Shareholding Association may send one representative to the quarterly meetings for every 150 employees who are shareholders. In 1918 the 25,791 employees' shares were held by 675 employees. The quarterly meeting of the members is the supreme authority in the Wholesale Society. To this meeting each shareholding society is entitled to send one delegate in virtue of membership, so that the amount of capital held yields no voting advantage to any society. All societies have not equal voting rights; but the difference in voting rights is determined not by a society's investments but by its purchases. The basis of voting has been altered from time to time owing to the growth of the attendances at quarterly meetings; but the rules, as altered in 1915, prescribed that, in addition to the vote allowed in virtue of membership, each society shall have an additional vote for the first £1,500 worth of goods purchased and one other additional vote for every complete £3,000 worth of goods purchased from the Wholesale thereafter. Proxy voting is not allowed. In this way dead capital is prevented from dominating the business of the Wholesale; and the societies with the heaviest capital investments acquiesce in this arrangement which secures to a shareholding society voting power in proportion to its loyalty to the concern.

The employees at the end of the Jubilee year numbered 3,081 males and 3,436 females, whose total wages for the year amounted to £763,894, 19s. 6d.*

* For salaries of Directors, see page 234.

XV.

THE ECONOMIC INFLUENCE OF THE WHOLESALE.

HOW SOCIETIES AND THEIR MEMBERS HAVE GAINED—THE SAVINGS IN DISTRIBUTION AND PRODUCTION—REGULARITY OF SUPPLIES MAINTAINED ON EQUITABLE PRINCIPLES—FOOD AS AN ECONOMIC FACTOR—FULL WEIGHT PACKAGES MADE COMPULSORY THROUGH S.C.W.S. AGITATION—PROTECTION AGAINST TRUSTS FOR PRODUCER AND CONSUMER—A LESSON FROM WEST AFRICA—THE WOMAN WITH THE BASKET AS AN INFALLIBLE JUDGE—CONTROL OF MONEY AS WELL AS COMMODITIES—A SOURCE OF STRENGTH IN TIMES OF NATIONAL CRISIS—WHAT THE S.C.W.S. DID IN THE GREAT WAR—A MENACE TO THE PROFITEER—THE WHOLESALE'S RELATIONS WITH ITS EMPLOYEES.

In the Jubilee year view presented in the preceding chapter we saw what the S.C.W.S. was in terms of possessions and trade. The reader will be justified in reminding us, if he thinks it necessary, that ornamental buildings do not butter the bread of the men and women on, or below, or a little above the poverty line, and that the extent of a warehouse or the excellence of a factory's equipment need not spell an easier lot for the workers employed there. We do not need to be reminded of either proposition. The promoters of the earliest Co-operative venture, as we saw in our references to Fenwick in the earlier chapters, were driven to Co-operative methods in order to make their earnings go further than they did in the privately owned shops. The early productive societies sought to sweeten the burden of labour. Rochdale aimed at both reforms, and the ideals of Rochdale have been the guiding code for the Co-operative movement during the whole period covered by the S.C.W.S. If these ideals were pursued by the societies which formed the constituent parts of the S.C.W.S., we should expect to find them also the governing ideals of the S.C.W.S. itself. If the S.C.W.S. has not lightened the lot of the worker, or made the earnings of Co-operators go further than they would have done otherwise, the S.C.W.S. will have failed in its economic mission. If it has not brought a new

spirit into the industrial and trading and social relations of men, it will have failed in its social mission. The men who are responsible for the direction of the affairs of the Wholesale are quite ready to be judged by these criteria, and they are quite confident as to what the judgment will be.

We will leave the social influence of the S.C.W.S. for the present and examine what its economic influence has been.

The members of the retail societies began to co-operate in order that their earnings might be made to go a little further. They entrusted those earnings to their societies in order that the societies might procure food and other necessaries for them. Those societies had to lay out those funds in procuring food from merchants till it was borne in upon them that they, too, might make that money go a little further by co-operating as their members had done, and they formed the S.C.W.S. The question is: Has their money gone further? The answer is in the affirmative, and an emphatic affirmative. In the very early days of the Co-operative movement, when Co-operative societies were small and struggling and were composed of men intimately acquainted with one another, there was a very close spirit of loyalty which would have borne any sacrifices because they had the sterling faith of the pioneers. The men engaged in pioneering any great reform, for the sake of reform, have that faith. The faith of the Co-operators of fifty years ago was so strong that they overlooked mistakes, even costly mistakes, because they knew they were only feeling their way towards success which they believed to be ultimately certain. While they were prepared to suffer a little for their faith they found, nevertheless, that there was an economic advantage in their method even at that experimental stage, and it won them fresh associates in growing numbers. The committee of an early Co-operative society knew that they could count upon the "loyalty" of their members. When the S.C.W.S. was in its infancy the same loyalty was shown towards the Wholesale Society that was only feeling its way towards success; but, irrespective of the trade brought by loyalty, advantages were secured by societies that they did not get when they were buying, each for itself, from wholesale merchants. During its fifty years the Wholesale Society has sold goods to the amount of 226½ millions. The

"profits" derived from that trade amounted to $7\frac{3}{4}$ millions. In the capacity of purchasers the societies divided that $7\frac{3}{4}$ millions among them, and in the capacity of shareholders they received interest on all the capital they had invested. The representation at the shareholders' meetings is adapted to meet the dual capacity, for while each society is entitled to have one representative present in virtue of membership, the additional delegates (and votes) are fixed in proportion to purchases.* The possible rate of dividend is limited by the amount of profit available, but within that limit the actual rate is determined by the members, and the rates of interest on investments are also determined by the members, acting in both cases in the dual capacity of shareholders and purchasers. The $7\frac{3}{4}$ millions of "profits" returned to the purchasing societies in proportion to their purchases represents an economic saving, for that sum, in the operations of an ordinary trading company, would have gone to the shareholders at the expense of the purchasers. The interest on the capital represents an economic gain to the societies also in more than one way. The members of the retail societies usually deposit a small contribution towards capital when they join the society. The balance of their capital is almost invariably contributed by allowing the dividends on their purchases to accumulate. The process of saving is so easy that they allow their dividends to go on accumulating; they do not feel any pinch by saving in that fashion; the interest is good and "the bank is safe," and so many Co-operators by that means have continued to save till they have accumulated £200—the most the law allows. This is used by the society as trading capital so long as necessary; but the establishment of the S.C.W.S. gave the retail societies an outlet for the surplus they did not require for their own business, and they were thus able to invest the money of the members to develop this big concern in the interests of the members whose money otherwise would have gone into ordinary banks to be used very often by other concerns whose chief function was to make money out of the people.

It must not be assumed, as it often is very wrongly, that the $7\frac{3}{4}$ millions of distributed "profit" is arrived at by the Wholesale charging more than other people. It is usually

* See page 242.

assumed that it is so because Co-operators say "all profit is an overcharge." Co-operative trading is conducted to supply known wants, not to make profit. The Co-operative view of trade, whether the trade of a Co-operative society or of a capitalist company, is that the surplus which remains, after meeting the cost of goods, interest on capital, the remuneration of labour (the labour of the director and the labour of the charwoman alike), and all other expenses, is an overcharge which properly and morally belongs to the purchaser. In private trade that surplus is "profit" which goes into the pockets of the shareholders. The difference constitutes the Co-operative case for the non-taxation of Co-operative dividends (as distinct from interest, which is taxed). If in the early days of the Wholesale it had been necessary, because of the inexperience of buyers or any other similar reason, to charge more for goods than other merchants, the societies might have tolerated it for a time till the Wholesale learned how to sell cheaper. The societies would not do that now. They would insist upon the directors engaging more competent buyers; and, if that did not happen, they would probably replace the directors as their time for re-election came round. It is worthy of note, however, that during the years in which the Wholesale Society made its biggest advances the stores had to face the keenest competition. The multiple shop had come; it was wiping out the small trader with a relentlessness that made the small trader look more kindly upon the Co-operative store than he had ever done. The growth in Co-operative membership was very marked. The new members were not all inspired with Co-operative ideals—some had no conception whatever of Co-operative ideals. Prices were rising, and the people were concerned about getting their necessaries at the best prices. The stores had to sell as cheaply as competitors or lose trade of members and lose prospective new members. Keen selling meant keen buying, and the stores had to buy in the best market. Under these conditions the trade of the S.C.W.S. rose in volume, but the percentage of the Wholesale's trade in relation to the retail trade of the societies also rose; in the first year of war it jumped 5 per cent. in comparison, and the proportion rose from 45·54 per cent. in 1911 to 60·26 per cent. in 1916. If it fell in 1917 by ·75 per cent. it was because in

that year Government control of foodstuffs was considerably extended, and various food commissions treated the Wholesale Society in a fashion that is quite inexplicable, and which led to the developments outlined in Chapter XIII.* In viewing these comparisons it must be remembered that there are some directions in which the Wholesale does not yet cater for all the wants of its members. A society engaging in the milk trade in a district remote from S.C.W.S. centres makes its own arrangements with local farmers, and other examples might be cited to explain a difference between a society's total purchases and its purchases from the Wholesale, although these conditions are gradually disappearing. In view of this increase in the proportion of trade done it must be conceded that the Wholesale's prices have been right, and that the societies have found a substantial economic gain from trading with the S.C.W.S. even beyond the interest on capital and the dividend on purchases. This gain went to the members of these societies. The member who purchased twenty shillings' worth of goods, and received a 2/ dividend, found that under such circumstances his twenty shillings had the purchasing power of twenty-two owing to the retail Co-operative system which was fed and reinforced by the Wholesale Co-operative system.

It is of economic value, from a health point of view, that supplies of necessaries should be maintained. When the great ramp in prices began after the war broke out we read an explanation of this in a Sunday paper which showed the individualistic mind at its worst and laid bare the whole purpose of speculative trading. It was explained that there was a shortage of supplies, and the reason given for the rise in prices was that if there is a limited supply below the normal, and Wigan and Mayfair (they might have said the Calton and Pollokshields if it had been a paper published in Scotland) both want the goods, Wigan must pay what Mayfair is willing to pay, and Mayfair will pay almost anything to get the goods. It was not set down as a possible reason for the rise in prices ; it was stated as an inexorable law making a rise unavoidable. That is not the S.C.W.S. law. The S.C.W.S. would know from its daily trading experience what the normal requirements of Co-operators in Calton and Pollokshields respectively were ;

* See page 228.

the price would be fixed in the usual mathematical fashion, and, if both districts could not be supplied with all they required, each would get an equitable share. The price would not be determined by the willingness of some to pay more than the fair price for a cornered article, and the longer purse of Pollokshields would not make it necessary for Calton to tighten its belt. The S.C.W.S. during its fifty years has traded equitably. The proprietors of the business are the purchasers of the goods, but their voting strength, as we have mentioned, is determined by their purchases and not by their capital. They are not shareholders banded together to sell things to other people and purchasing just to help the business; they are purchasers banded together to procure what they want, and they put in capital in order to enable their Wholesale buyers to command, or to manufacture, supplies. The Wholesale Society, therefore, does not speculate on the market; it does not manufacture on the chance of doing a big stroke of business. It buys or produces what the retail societies actually want, and the S.C.W.S. is made to know what these societies want. If it be argued, as it sometimes is, that there is a stage in the development of Co-operation when the extent of the society reaches the limit at which high-scale buying can effect no further economies, the Wholesale has not reached that limit yet. If it be argued also, as it sometimes is, that a retail society—a member of the S.C.W.S.—can grow to such an extent that it can buy as well for itself in the open market as the S.C.W.S. can buy for it, that stage has not yet been reached. Take, for example, the drapery trade, in which the great warehouses in Glasgow and Edinburgh and elsewhere are so bitterly in competition. St Cuthbert's Co-operative Association, the largest Co-operative society in Scotland, with a membership equal to a tenth of Scotland's total, takes a seventh of the total goods sold by the S.C.W.S. drapery department—and it is quite well known to Co-operators that St Cuthbert's dividend is the highest paid by any large society in Great Britain. The members of St Cuthbert's know, as the members of other societies know, that there is no prospect of the S.C.W.S. taking advantage of them either in prices or in quality of goods, for the simple reason that they themselves *are* the Wholesale and they do control its operations through

their elected directors. The shop assistants who sell the goods are kept fully up to scratch by the members of the local societies who use the goods. If improvement is necessary the members promptly tell them ; the shop assistants tell the buyers who order the stocks ; the buyers lose no time about " taking the matter up with the Wholesale " ; and, if representations to the S.C.W.S. managers do not avail, the minutes of the directors' meetings will probably contain some such item as : " Interviewed deputation from a society with reference to certain class of goods." A delegate at the quarterly meeting will ask : " Mr Chairman, can you give us any information as to what society this was and what the goods were ? " If any grievance the society had has not been rectified before, the directors have a few minutes' paternal advice and the law is laid down. There is no doubt whatever about the reality of the democratic control of the business of the S.C.W.S.

In one direction especially the S.C.W.S. has saved the consumer. In the sale of prints of fresh butter, the custom was to make prints in half-pound and quarter-pound sizes. The store member usually asked for " a half-pound print " or " a quarter-pound print," and the print supplied could be relied upon to weigh fully what was asked for. In recent years the practice grew up, in the competitive trade, of making prints a little less weight than the customary prints. The small print might weigh just over three ounces, and the larger print about seven ounces, more or less. It made a difference in the price, and the shops that sold these charged less for them than for the full-weight prints. To do these traders justice it must be stated that they did not sell by weight ; they charged so much " per print " ; but people long accustomed to prints of a certain weight were easily misled. In one Glasgow society members complained that the price of a two-pound pot of jam was higher in the store than in another shop in the district. A pot was accordingly sent for, and on the gaudily printed labels beside the weight there was printed in small letters the word " nominal." In this case, too, the prices were marked, not in terms of weight, but at so much " per pot " or " per jar " ; but in this, too, people accustomed to regulation pots containing certain weights were misled, although they had no recourse if they found the jar contained less than they thought. In packet

teas, the custom of selling the packet by weight did grave injustice to the consumer. A quarter-pound packet came to mean a packet weighing a quarter of a pound and not a packet containing a quarter pound of tea. The S.C.W.S. resolutely eschewed such practices as these. Its fresh butter was in prints of half and quarter pounds, its jams and jellies were in pots of one or two pounds, its tea packets contained the quarter or half pound as stated on the label. In conjunction with the C.W.S., the S.C.W.S. conducted a vigorous exposure of the tea packet scandal. They proclaimed the fact that if they sold by gross weight and charged as much per pound for the paper packet as for the tea it contained their profits in one year would be £200,000 more. The question was raised several times in Parliament. In 1917 Mr M. J. Flavin, one of the Irish members, made trouble over the practice and brought out the fact—admitted by Captain Bathurst, speaking for the Food Controller—that one well-known firm sold tea in 4-oz. packets and that the weight of the wrapper was ¼ oz. approximately, but that the packet bore the announcement that its weight, "inclusive of the wrapper," was 4 oz. He does not seem to have answered Mr Flavin's further question as to whether he was aware that "paper is over 600 per cent. cheaper than tea." Mr Flavin, aided by Mr Will Thorne, returned to the point several times till, eventually, Captain Bathurst announced that on and after 1st May 1917 it would be illegal to pack teas unless each package of two ounces and upwards contained the net weight of tea mentioned on the package, and that, after a later date (fixed to allow shopkeepers to clear stocks already packed), it would be illegal to sell tea in packages unless under similar conditions. Steps have since been taken to make these regulations permanent even if the Food Ministry should be allowed to lapse; but people must not forget that the S.C.W.S. and its sister federation are responsible for fair trade being made compulsory in respect of such packed goods. In tea, as in soap, the Wholesale Societies were instrumental in exposing the system of giving presents with tea, or giving coupons entitling the purchaser to "gifts." The most shameful example of the alleged "present" system was the pension tea scheme. Under this scheme purchasers were to be entitled to pensions when they became widows; and the device proved so profitable

that the first claims were met, a fact which gave colour to the scheme. It became impossible to meet the claims, and the sequel was heard in 1905 in the law courts, where the hollowness of the system was described by Mr Justice Buckley, who passed strictures on the delusive and reckless promise of impossible pensions. The story reached its close in 1909 when each widow entitled to a pension of 10/ per week for life got a lump sum of 32/. The exposure of the system, like the cessation of the soap prize system, brought Co-operative purchasers to greater faith in Co-operative methods.

The control exercised over the distributive departments by the people who buy the goods is also exercised over the productive departments of the S.C.W.S. It is a tribute to the value of these productions that in the Jubilee year the S.C.W.S. produced 31·42 per cent. of the goods it sold, despite the difficulty of procuring materials in a number of industries. In the year before the war, when the Wholesale productions were less all round in proportion to Wholesale trade, the cabinet factory produced 77 per cent. of the furniture sold by the S.C.W.S. In the same year the Society manufactured 90 per cent. of the Scotch tweed it sold. Excluding some classes of shoes and slippers not made in the kingdom but in fair demand, and a very cheap class of inferior boot the production of which ought not to be encouraged and which the S.C.W.S. would spoil its reputation by manufacturing, the output of boots and shoes from the S.C.W.S. factories represented 80 per cent. of the total possible.* There are large societies in the most keenly competitive trading areas—some of the largest and most prosperous societies in Scotland—which sell only S.C.W.S. tobacco, S.C.W.S. soap, and S.C.W.S. flour and meal, while others similarly limit their stocks to other S.C.W.S. productions. These productions are not made to any hard and fast uniformity—except uniformity of quality and workmanship. In the boot trade, for example, the S.C.W.S. has to cater for a large variety of tastes and for a large variety of feet, but it is questionable if there is another factory in the country which produces such a variety of styles and sizes. The "size" of the boot required by a purchaser is measured in the boot shop by the rule with a sliding gauge which fixes

* Statistics from a paper by Mr A. S. Huggan, S.C.W.S. Ltd.

the "size" by the length of the foot, but it would seem as if the S.C.W.S. worked out designs for almost every possible variation of each size. The same variety is found in the readymade clothing departments, including shirts. The economic value contained in goods that give comfort and pleasure, and goods that last, is very considerable, and the evidence that this economic value is there is provided by the growth of the S.C.W.S. productive trade. In the productive trade, as well as in the wholesale trade pure and simple, the prices are an important factor, and we have the tribute of the managers of the retail stores who generally acknowledge that the Wholesale serves them better than others would. It is contended by opponents of Co-operation that the retail managers automatically give their orders to the Wholesale, relying upon the fact that the business belongs to the society; and that the relations between the Wholesale and retail societies lead to indifference on the part of the managers of the retail societies, who are freed from the necessity of watching the markets. An hour spent in the S.C.W.S. salerooms on the mornings when the retail buyers attend, and presence at the conversations which these gentlemen have with the Wholesale salesmen, would dispel such an illusion. The managers and buyers of retail societies are as conscientious and as alert as the gentlemen who occupy similar positions under the competitive system. "As iron sharpeneth iron" their alertness keeps the S.C.W.S. buyers and managers alert; and if, as some anti-Co-operators in trading circles appear to think, the buyers and managers of both Wholesale and retail societies engage in some unholy alliance to fleece unsuspecting victims who become members of Co-operative stores, they would soon experience the burning heat of "the great white light that beats upon the throne" of the Co-operative official when the grand high court of the quarterly meeting took place. Apart from all of which, the goods sold by the S.C.W.S. to the stores, and by the stores to the members, and the prices at which those goods are sold, are subjected daily to the searching scrutiny of the ubiquitous lady with the basket whose pronouncements as to relative values are well-nigh infallible.

The S.C.W.S. has set out to provide everything the societies in Scotland require for their members in order that these

members may be free of the shackles put upon consumers from the pre-Fenwick days. A constant menace which hangs over the heads of the people is the menace of the capitalist combine, or trust. If merchants refused to supply Co-operative societies in the initial stages of Co-operative development it would have been an obstacle in the way of the burdened consumer. Some societies had that experience, but they found others ready to take orders. After the Ironworks Company collapsed the S.C.W.S. had orders refused by people who formerly canvassed for them. What happened then has already been told,* but the experience was a warning to the Wholesale, and its chief concern since has been to make the consumers independent of anybody but themselves for the essentials of life, and the most serious menace has been the growing power of the trusts. Several rounds of the fight with the trusts have already been fought. In another chapter† we have shown how the great combination of people in the meat trade attempted to close up the Co-operative fleshing departments, and we have shown there how the excellent organisation and enterprise of the S.C.W.S. prevented that happening and rendered the Fleshers' Association powerless. When the big soap firms sought to lay down the law as to the price at which soap must be sold in the Co-operative stores, the Wholesale closed its account with these firms, and subsequently inaugurated its own soap factory whose productive output has kept on growing despite the attractive lists of prizes for soap coupons that were so extensively advertised for years. In 1906, when the big Soap Trust was formed, Co-operators who had not been too zealous about Grangemouth soap works till then, or who had been, very probably, deluded by the "prize coupon," realised at once that control of the soap trade by the trust would ultimately mean control of prices. Many societies decided to give up any trading connection they had with the firms in the trust. The soap works have progressed ever since, and the products are sold at prices lower than the firms in the trust would sell the same qualities to the societies. Margarine had almost fallen under syndicate control, but the Wholesale Society entered into the production on an extensive scale, and the progress of the trade is fully outlined in the descriptive article in subsequent

* See page 99. † See pages 156, 157; see also pages 199-202.

pages. The Proprietary Articles Traders' Association attempted to dictate to the Co-operative movement, as it does to others who sell their goods, what the prices must be ; but the Wholesale disregarded the threat of boycott, and there are few articles sold by the members of that association which have not their equivalent in Wholesale productions of equal merit and often of better value—thanks to the resources of the Shieldhall chemical department. Thanks to the intelligent activities of the S.C.W.S. advertising department, these articles find ready sale among the members of the societies. The danger of trusts cornering the supplies of raw materials led to a number of developments in the Wholesale business. One of the best examples to be cited is the West African enterprise,* and the effect is also noteworthy. The English Wholesale Society had established itself in Sierra Leone and on the Gold Coast in 1914, and the Scottish Wholesale had also established itself on the Gold Coast in the same year, the purpose of both being to obtain native products, particularly raw materials for factories, such as palm kernels. The effect of the combines and of the Co-operative Wholesale Societies respectively was disclosed in a debate in the House of Commons in the second week of November 1916, when there was some trouble over the proposed sale of some enemy property that had been seized. It was usual that palm kernels intended for Europe were sent to Hamburg to be crushed, and Germany, consequently, was very largely interested in the trade. The properties seized by the Government were located in Nigeria. The Unionist M.P. for the Exchange Division of Liverpool proposed that it should be ruled that the properties would only be sold to natural-born British subjects or to companies wholly British, his avowed object being to secure that they would not pass into the hands of neutrals who might, later, pass them on to Germans. (But why not allow Allies to buy ?) This proposition does not concern us here except for the fact that it brought out the discussion which followed. It seemed a simple proposition which one would have expected Parliament to agree to, in view of the determination of the Paris Conference to proclaim a trade war after the war. The first Coalition was in power and Mr Asquith was the Prime Minister, and the Government

* See " Overseas Enterprises " in Descriptive Section.

opposed this proposition—an opposition which eventually was supported by the House. The facts brought out in the discussion were these. The trade of Nigeria was being controlled by a capitalist combine which exercised a sinister influence on the trade. Supporters of the Government were convinced that the pressure that was being brought to bear upon the Government to exclude neutrals from bidding for these properties was not prompted by any patriotic fervour but by the purely materialistic desire to allow the capitalist combine to secure the properties at a lower price than would be likely to be required if the sale were open. The debate showed, of course, how simple Co-operators were who deluded themselves into the belief that they had no interest in being represented in Parliament, for it was made tolerably clear that the aim was to secure trade monopolies or concessions which were as good as monopolies. Mr Steel Maitland, M.P., the Under-Secretary for the Colonies, let a flood of light in upon the whole trade. He stated that before the war there was a difference of £4 or £5 per ton between the price paid to the native producer for the palm kernels and the price paid on the Liverpool market. After the combine entered the market the difference grew till in November 1916 it was £14, and the difference in freight rates would account for only one-fifth of the increase. Then, he explained further, while the price to the purchaser had gone up, the price paid to the actual producer had been lowered from £14 to £9 or £10. Anticipating that some of his Parliamentary associates might ask where the difference went to, Mr Steel Maitland supplied the information. One of the firms in the combine had an annual profit which, averaging the three years before the war, amounted to £83,000—the last year before the war being £80,000, an obvious fall. In 1915, however, that firm's profits went up to £149,000. Another of the firms had £57,000 of profit per year before the war and secured £95,000 in 1915—exclusive of undisclosed reserves to cover excess profits duty. Naturally these people would not welcome neutral competitors who might undersell them and break the combine. These figures brought the history of the case up till November 1916—more than two years after the S.C.W.S. established itself on the Gold Coast. The S.C.W.S. had no interest in making profits out of the sale of its palm

kernels. These products were required for its own works, to supply its own members; if profits resulted they would be divided among the purchasers. So the purchasers were free from exploitation in respect of these West African products. There only remained the native producers to be considered. Mr Steel Maitland told the House that there was no combine on the Gold Coast (where the S.C.W.S. was established), but he added that the natives there were getting £3 per ton more for their products and their labour than the Niger Company paid its natives, and that in Sierra Leone (where the C.W.S. was established) the native was getting from £3 to £5 more than was paid to the natives in the area dominated by the combine. The users of palm kernel products from the area under S.C.W.S. influence were being protected from exploitation and the natives were being better remunerated for their labour. No doubt the capitalist exporter will regard tenderness towards the native as weakness and bad business, but it was simply applying to the native the same consideration as the S.C.W.S. extends to the coolies on the Indian and Cingalese tea estates and to the highly organised trade unionists at Shieldhall and elsewhere. When it is claimed, therefore, that the S.C.W.S. is the Scottish people's bulwark against the trusts, the claim is fairly well founded. The sequel to the West African debate may as well be told. The following year saw a linking-up of some of the interests of the two Wholesale Societies in West Africa and saw the drafting of an agreement relating to all the overseas enterprises of the two federations. It witnessed the extension of the C.W.S. possessions at Accra, on the Gold Coast, for the use of both; and, most significant of all, it witnessed the establishment of a joint E. & S. C.W.S. depot for the collection of native produce at Lagos, in Nigeria, where the combine so described by Mr Steel Maitland had ruled. Neither the native producer nor the home consumer should have reason to regret that step.

Just as the S.C.W.S. is engaged in a laudable endeavour to secure the sources and means of supply of all the commodities its society members require for the use of Co-operators and their families, it is also part of its policy to make Co-operators and Co-operation independent of banking concerns. The war gave the banks a great shock, and but for the Government

GLASGOW FURNITURE WAREHOUSE

ONE OF THE SHOW ROOMS

CHINA, CROCKERY, AND GLASSWARE DEPARTMENT

MUSIC AND MUSICAL INSTRUMENTS DEPARTMENT

JEWELLERY SALE ROOM

stepping in to pledge them the security of the nation's resources there is no saying what the effect on the war might have been upon the whole of our banking system. The banking system is subject to the same criticism as the trading system as we know it outside Co-operation—it is not conducted as a national service, but as a profit-making enterprise for the benefit of shareholders. One of the most disturbing movements of recent years has been the gradual consolidation of banking interests into rival amalgamations which take the place of smaller rival banking concerns. The English C.W.S. conducts a full-fledged banking business; but the S.C.W.S. has not gone so far yet, and it has been explained that the difference in the law relating to banking in the two countries is one reason why that is so. If it does not do banking in the ordinary sense, however, it does banking in effect, and most of the retail societies in affiliation with the S.C.W.S. do the same in a local sense. The retail societies at the end of 1918 held money deposited by their members to the extent of 10 millions. The S.C.W.S. had capital to the amount of $5\frac{3}{4}$ millions. A considerable sum is held on hand by each of the societies—retail and Wholesale—and, while the members may not write cheques on their Co-operative society as the member of an English society may write a cheque on the C.W.S. bank, members may withdraw deposits at almost any time. The retail societies advance money to members to enable them to purchase their own houses (within certain limits fixed by their own rules, and on ample security). They use some of the money to invest in shares in and loans to other Co-operative federations (the United Co-operative Baking Society, the Paisley Co-operative Manufacturing Society, etc.). Some invest in certain other concerns,* but the bulk of the balance not required for the society's own business is deposited with the S.C.W.S. These deposits, and increased shares, enabled the S.C.W.S. to found the Shieldhall enterprise and others. The societies are constantly pressing the S.C.W.S. to undertake banking in the fullest sense as a business proposition. The chief reason for this is because it seems desirable that there should be no more limitation on the Wholesale's trade in money than on its trade

* The Scottish Co-operative Laundry Association had to invest in British Dyes Ltd. before it could obtain supplies.

in other commodities for the exchange of which money is the instrument. The same obstacles are put in the way of Co-operative trade in money as are put in the way of Co-operative trade in other articles. If evidence of this is required it is already furnished by the fact that the growth of the funds at the disposal of the Co-operative societies had so affected other interests that they used their power in Parliament to prevent the Industrial and Provident Societies Act being amended in 1913 to increase a member's possible holding in a society from £200 to £300. Apparently financial interests are taking steps to prevent their domain being invaded, as the domain of other trades has been invaded, by Co-operation.

When the subject of banking was last pressed upon the directors, in 1916, it was reported by the directors that the Society was, to all intents and purposes, doing banking. The Society, they said, was transacting banking business (1) in the way of receiving money, and (2) in the lending of the money so received. It was pointed out, under the first head, that the societies had an opportunity of passing on any of their surplus capital to the Wholesale, that on no occasion had any money been refused as deposits, and that the only restriction was on the amount of the share capital—shares, practically, being granted only to the number of the societies' individual members. Besides, the Wholesale received deposits from employees and members of retail societies. It was admitted that it was open to consideration whether an extension of the facilities for receiving money from members of retail societies would be an advantage to the movement. The second branch of banking business—the lending of the surplus invested—had developed on two lines. In the first place, money was advanced to societies on the security of their property. This was done under a resolution of the quarterly meeting, and the rates of interest on these advances were fixed by agreement. At December 1918 the amount so advanced stood at £45,431. In the second place, money was advanced to corporations and public bodies on short notice and on the security of the public rates. Including the War Loan, the amount so advanced and outstanding at December 1918 was £1,678,812.* The directors admitted that the fundamental business of the Wholesale was

* A good number of Societies invested in War Loan direct.

to do trade with and manufacture for its members, but it was also found necessary that large sums should be kept free to meet the obligations incurred. When this report was submitted the Greenock Society was moving for a special committee to consider the whole question of banking; but the committee was not appointed, in view of the fact that the subject was being considered jointly by the boards of the two Wholesale Societies. We have mentioned in an earlier chapter the steps entered upon to effect a closer relationship between the two federations. A post-war programme of industrial and trade development has been planned by the two Wholesales, jointly and severally, which will involve considerable capital expenditure; but the question of banking is certain to be raised again in Scotland, in view of the greater convenience a Co-operative bank will be to the members, but also because it will afford a ready means of providing capital for development purposes. The credit of the S.C.W.S. would secure considerable sums of money from depositors who, at present, may only deposit money in the S.C.W.S. with the consent of the retail societies of which they are members. Even in the incomplete form in which the S.C.W.S. does banking business to-day it has an economic value, because it enables societies to find money readily when occasion arises. It has an economic value, not merely to the Co-operators, but to the public, for it has stood between the public and the profiteer. One example may suffice. Some years ago the Corporation of Glasgow wanted a considerable sum of money on loan. The banks, apparently acting in co-operation owing to advance knowledge of the Corporation's requirements, demanded a high rate of interest. The city treasurer, seeing through the scheme, applied to the S.C.W.S. for the money. The S.C.W.S. was able to furnish the money required, the bankers' ring was broken on that occasion, and the Glasgow ratepayers were saved. It was an act which, however Co-operators applaud it, would not commend itself to a profiteering concern.

A chapter dealing with the economic influence of the Wholesale would not be complete without special reference to the relationship between the S.C.W.S. and its employees. When the Jubilee was reached the employees numbered about 9,000, but when the Jubilee was actually celebrated the total

was 10,157, and the wages bill for 1918 amounted to £862,937. That little army of employees would have been greater had the war not intervened to hinder natural developments. The S.C.W.S. is one of the few concerns which does not throw its old workers on the scrap-heap. We have already mentioned the celebration of the ninetieth birthday of one of the employees* while he was still in the service—an event probably unique in business circles in Scotland. The presentation to James Leggat on that occasion was made by Mr George Davidson, who had entered the service of the drapery department in 1874. Even Mr Davidson, who is still doing duty, and doing it well, is not the oldest employee of the Wholesale, either in age or in service. Leaving age out of account, for S.C.W.S. employees never seem to grow old however old they may look, Mr David Gardiner, the chief of the drapery department, has longer service, for he joined the S.C.W.S. staff in 1873. Mr Ebenezer Ross, reputed to be one of the keenest buyers in the grocery trade, took up his duty with the S.C.W.S. in 1872. Mr Robert Macintosh, now the chief of the counting-house staff and officially designated "the accountant," joined the staff, such as it was, in April 1870. These are the oldest veterans of the service, but they are not the only veterans. In the grocery department alone there are a score of employees with over thirty years' service each. These details indicate that employment in the S.C.W.S. has been at least tolerable. If no more than that could be said, the members of the Wholesale would be disappointed and the directors would not have been able to claim that they had interpreted the will of the Co-operative community.

The promoters of the Wholesale Society were undoubtedly actuated by a desire that this institution, the embodiment of Co-operative ideals and Co-operative business methods, should be a model employer. As we have pointed out, the chief aim of Co-operators had been to improve the economic condition of the consumer and to improve the position of the producer. Consumers were clamouring for a reduction of the cost of living; producers were crying out that they produced wealth and their employers collected it. The Wholesale determined that it would ease the burden for the people in both directions,

* See page 117.

and a fair reward for labour was held to be a first charge upon the business. If the world had been run on Co-operative lines the S.C.W.S. would have had no difficulty, but the world was built differently. The Co-operative stores were surrounded by competitors. The S.C.W.S. itself was surrounded by competitors. The chief purpose of the S.C.W.S. was to let the stores have goods of the best quality that could be sold at prices that would enable the stores to reduce the cost of living for their members. It was impossible, therefore, to go far ahead of competitors in the matter of expense. The Wholesale, therefore, paid the best wages compatible with the competitive conditions in which it existed, and its profits were returned to the purchasers. In 1870, before the Society had been two years in existence, it decided that the employees must also share in the profits, and it was arranged that a bonus on wages should be paid at double the rate per £ that was paid in dividend on purchases to the members. That arrangement endured till after the productive departments were inaugurated. In October 1885 the conditions of the bonus were changed. The employees in the distributive departments were paid bonus at the same rate per £ of wages as the members received on each £ of purchases, but the bonus to the employees in the productive departments depended entirely on the profits made in the productive departments. That arrangement lasted till 1892, when it was decided that the bonus on wages, throughout the whole service, would be at the same rate per £ as the dividend.

Another change was made at that time. Till then the bonus was paid over in cash, but in 1893 it was agreed that half the bonus should be so paid and that the other half should be retained by the Society and credited to the employee. This retained sum was only withdrawable on the employee's leaving the service. The directors had power, under the rules regulating the bonus, to deprive an employee of bonus at any time if dismissed for any irregularity. That power was derived from the fact that the bonus was an income apart from wages. The wages were fixed always on the trade union scale. There is no case on record of any wages being paid below the trade union standard, and trade union conditions, at least, were always recognised. There was no regulation requiring

employees to be members of their trade unions, and this fact was emphasised time after time by Mr Maxwell while he occupied the chair. The attitude of the board then was that it was the business of the trade unions to organise the workers and not the business of the S.C.W.S. directors and managers. No obstacle was ever put in the way of trade union organisation, and the fullest opportunity was given to trade union officials to address the employees and to canvass for members. So far as we can gather, the directors shared the view of the trade union leaders that it was unfair for workers who enjoyed the good conditions that prevailed in the S.C.W.S. service to hold themselves aloof from the unions which were in many cases engaged in bringing conditions and wages in other establishments up to the Wholesale's standard. At the same time, the directors took the view—it was expressed by both Mr Maxwell and Mr Stewart from the chair on several occasions—that it was not right to resort to compulsion ; and no effort was even made to press the employees to be Co-operators, one reason being that the Co-operators themselves would have been the first to resent any effort on the part of their employers to make them become supporters of the private trading system. A good many girls and women were employed by the Society ; these workers, for the most part, looked forward to entering the matrimonial lists, and to them the need for trade unionism—especially in view of the conditions in the Wholesale —was not apparent. They were being paid better than similar classes of workers outside, and their working day was shorter ; but in their case, as in the case of the trade unionists in the employment of the concern—whose standard formed the minimum rates paid—the wages were fixed without consideration for the bonus, which was an extra payment which alone raised the trade unionists to a little higher level than those employed outside. The retention of part of the bonus was intended to quicken the interest of the employees in the business. It had been proposed by the directors that the whole bonus should be retained, but the employees themselves expressed a desire that half should be paid in cash as formerly, and this wish was acceded to. The retained portion was regarded as loan capital and was paid interest at the same rate as twelve months' loans. This, however, did not appear to give the employees the direct

interest in the concern that was thought to be desirable in a Co-operative concern, and so, in 1893, the scheme of employees' shareholding was inaugurated.

Under this scheme, which still obtains, any employee over twenty-one years of age may become a shareholder in the Society, the shares bearing interest at 5 per cent. per annum. An employee who wishes to become a shareholder must apply for not less than five 20/ shares. These shares may be paid up in the same way as that adopted by societies—namely, 1/ per share on application, the remainder of the value being made up of accumulated bonus and interest ; but any member may pay up shares in full or in part at any time. Fifty is the maximum number of shares allowed to each employee. The employee shareholders are entitled to nominate and send one delegate to general meetings for every 150 shareholders. Employees on leaving the employment of the Society must place their shares on the transfer list, as no one outside the Society's employment is allowed to hold any of its shares. The Employees' Shareholding Association, set up in accordance with this scheme in 1893, celebrated its silver jubilee in 1918 at a very enjoyable little social gathering held in the S.C.W.S. Dining Rooms, Morrison Street, Glasgow, when a presentation was made to Mr Macintosh, who had been president of the association since its inception, and a presentation was also made to Mrs Macintosh. The members meet shortly before the quarterly meetings of the Wholesale to discuss the agenda issued for these meetings and to elect and instruct their delegates. When the Shareholding Association celebrated its silver jubilee there were about 8,000 employees in the service ; but of these 665 were shareholders, their invested shares amounting to 25,000. About 2,000 of the employees, or more, were under twenty-one years of age and were not eligible for membership ; but that still left about 90 per cent. of the eligible employees who did not hold shares.

The whole idea underlying the granting of bonus and the formation of the Employees' Shareholding Association was to harmonise the interests of capital, the consumer, and the worker. In bringing about the scheme the directors believed they were doing this. Mr Maxwell was the leading spirit in promoting the scheme, and he was warmly supported by the

directors on the whole, although there was one notable exception. Some of the employees were not in favour of the scheme at all, and till the end of the bonus system in the Wholesale there were opponents to it among the employees. It is interesting now to recall that the late Mr James Keyden, then the Society's solicitor, drafted the regulations, and that the rule instituting the employees' shareholding scheme was proposed at the quarterly meeting by Mr James Deans and seconded by the late Mr John M'Nair. Mr Deans carried his enthusiasm a little further than the Wholesale scheme, and in 1895 the Scottish Section of the Co-operative Union drafted a report highly favourable to the payment of bonus in Co-operative societies in general recognition of the principle of profit-sharing. The question formed the subject of keen controversy. The notable exception on the Wholesale board, Mr T. C. M'Nab, read a paper which was freely discussed at conferences, in which he upheld the proposition that "Co-operative profit, being a surcharge on the consumer—made for a definite purpose, viz., the creation of capital—it can only in justice return to the consumer from whence it came; to the Co-operative employee, if he is a Co-operative consumer, as he ought to be, in the same proportion as to all others." He found a ready and an eloquent antagonist in his colleague on the board, Mr Henry Murphy, who contended that Co-operation would have failed if the worker's reward was only the wage resulting from war between the employer and the employee, and that Co-operative service should hold out some attraction to the workers that competitive trading and industry did not. The discussion died down, to be revived again ten years later, when Mr Hugh Campbell (now a director) propagated ideas much like Mr M'Nab's, and Mr Murphy again stepped into the breach, backed solidly by Mr M. H. Cadiz of Kinning Park. Nevertheless, the federation still held to the principle of bonus on wages. The question of a superannuation proposal for directors had been submitted, as our historical record shows, following a paper by Mr James Campsie at the Scottish National Co-operative Conference in 1906; but this was rejected. A special committee had reported favourably, but that did not save it. One objection to it was that it did not embrace the employees as well as the directors. Some believed that the

bonus problem and the superannuation problem might be solved together, and, after several efforts to create public opinion on the subject, another special committee was set up by the Wholesale Society which, in 1914, submitted a contributory scheme of superannuation embracing directors and employees alike; the bonus to be eliminated in the process. This scheme was rejected; but in December 1914 the late Mr J. M. Wilkie, then a member of the Scottish Sectional Board, proposed, on behalf of the Greenock Central Society, that the rules should be altered so that bonus should be abolished. It was a memorable meeting. There is evidence that a number of the employees were hotly opposed to the superannuation scheme rejected earlier in the year—some because it was a contributory scheme, and some because they feared that any pension scheme tended to tie the hands of employees in any service where such schemes applied because the prospect of loss of pension was an ever-present menace to liberty. Mr Wilkie, in proposing the abolition of the bonus, based his proposal partly on what he conceived to be the mind of the employees themselves, and he very ingeniously pointed out that the Progress Co-operative Society, formed by the S.C.W.S. employees themselves,* did not pay bonus to its own staff. He repeated Mr M'Nab's contention that dividend was "a surcharge on the consumer" and that it should go back to the consumer, and he denied the assumption that the bonus stimulated the worker. In support of this last contention he referred to a recent dispute there had been between the S.C.W.S. and the Boot Operatives' Union, in which it appeared that, although the workers were being paid 6/ a week more than bootmakers on the same machines elsewhere, the S.C.W.S. was not to be allowed to get the same output from its machines as other people were allowed to get. Against Mr Wilkie's arguments it was submitted by Mr Low of Kinning Park that the bonus paid by the S.C.W.S. was not in the same category as bonus paid by other firms, the latter being paid as a reward for "speeding up." Mr Andrew Purdie (now a director) took up the same attitude, and he pointed to the fact that, although there had just been a bad time of industrial unrest and labour trouble, the S.C.W.S. had

* See concluding chapter.

occupied a splendid position because of the conditions it gave its workers. An eloquent plea for the recognition of profit-sharing was added to the discussion by Mr D. H. Gerrard of the Baking Society; but the vote determined that the bonus system should end, and the system recognised since 1870 was terminated by 498 votes to 211. Those who voted in the majority were not actuated by any desire to save money, except in a very few instances where it was feared that bonus created a privileged class. Beneath the argument was the view that the employees ought to be paid what their unions decided was a fair wage for their labour, and that the economic advantage should go to the consumers (including the employees) in reduced prices or in dividend. The fact dawned upon the movers of the proposal for the rejection of the bonus that they had reduced the income of the employees, but at the next meeting this was rectified, and all employees who received bonus were subsequently allotted an "equivalent," which meant that each half-year they received a gift of 8d. per £ on their half-year's wages. It was much the same as the bonus; but there was this difference—viz., that new employees did not receive it; and the annual outlay in this respect became a diminishing quantity which in 1918 amounted to £19,796. Although it was decided to abolish the bonus in December 1914, the change could not take place till the new rule was registered, and this did not take place till February 1915. From 1870 till that date £265,690 was paid in bonus on wages. The abolition of the bonus meant that the bonus fund accumulated to the credit of the employees had to be placed at the disposal of the employees, but a large number of the employees simply transferred it to the deposit account. Nor did the abolition of the bonus interfere with the employees' shareholding system, for the rule still stands which enables any employee over twenty-one years of age to hold shares in any number above five and below fifty.

It is true that there have been labour disputes even in the S.C.W.S., but the Society on the whole has been comparatively free of these. New machinery capable of increasing the output is a frequent cause of dispute. In the competitive trade such machinery and the consequent displacement of labour means more profit for the owner of the business. In the Co-operative

service the benefits go to the consumer, and the generality of the employees are members (or sons or daughters of members) of the societies which own the machinery and, therefore, they share in the benefit. This is not always apparent to the employees, of course. The S.C.W.S., however, has time after time been used as the pace-maker by trade unions. It does aim at keeping a little ahead of the capitalist employer, but in a world of competition it cannot go very far ahead of its competitors without jeopardising its trade. When trade union demands are made upon employers, the attitude of the Wholesale directors usually expresses itself in an indication of willingness to pay the demand if others pay it ; and very often the works go on on the understanding that the S.C.W.S. pays whatever advance is ultimately agreed upon by the other employers. The trade unions know, quite well, that the Wholesale is controlled in the last resort by the delegates at the quarterly meetings, who are themselves trade unionists for the most part ; but it happens that the unions are not disposed to grant privileges. If a union demands a forty-eight hour week instead of fifty in the trade, and the S.C.W.S. department concerned is working a forty-eight hour week, the union expects the Wholesale to give the two hours' reduction like the others ; and analogous cases have arisen during the war with regard to wages. The Wholesale was one of the first employers to begin the war bonus arrangement in view of the increase in the cost of living ; but fresh wages claims made upon it did not always give credit for this war bonus, and arbitration had sometimes to be resorted to. Apart from the wages question, however, even the most aggressive of trade unions will readily concede that the S.C.W.S. is a more sympathetic employer than the bulk of employers, and that there is in the service, whether in office or warehouse or factory, an atmosphere which secures plenty of workers for all its departments—except, perhaps, when a new industry is set down in a town where experienced workers are not readily obtained and where young people have to be trained. Even the most harassed workers in the sweated, unorganised trades owe something to the S.C.W.S. for having helped them out by the force of example.* In 1912, the representatives of the

* See page 119.

workers on the Readymade and Wholesale Bespoke Tailoring Trade Board passed a resolution expressing their appreciation of the enlightened policy of the S.C.W.S. in regard to the fixing of the minimum rates for the wholesale tailoring trade, and offering their thanks to the Society and to Mr David Gardiner (its representative on the Scottish District Committee) for valuable support in their effort to secure fair rates of payment for workers in the trade. That is only one of the bouquets the workers have handed to the Wholesale.

XVI.

THE WHOLESALE IN TIMES OF NATIONAL CRISIS.

IN SPELLS OF TRADE DEPRESSION—THE WHOLESALE'S ATTITUDE DURING GREAT STRIKE—WHAT THE WHOLESALE DID IN THE GREAT WAR—THE KEEPING DOWN OF PRICES—THE CONSUMERS' ONLY BULWARK—A MENACE TO THE PROFITEER—GOVERNMENT WAR CONTRACTS: SOME PRODUCTIVE FEATS—THE GOVERNMENT'S ECCENTRIC BEHAVIOUR TOWARDS THE WHOLESALE—THE PRESS PLEADS FOR CO-OPERATION RATHER THAN COMPETITION.

TIMES of national crisis have proved the economic value of the S.C.W.S. to its own constituents. At the time of the failure of the City of Glasgow Bank* in 1878, when industries were closed down and the greatest distress prevailed, the S.C.W.S. had little more than recovered from its own trouble over the Ironworks Company. It was, nevertheless, able to assist the societies in affected areas to alleviate the distress caused by the colossal failure. When those occasional cycles of trade depression came, the Wholesale also stood behind the retail societies in their efforts to mitigate the effects. The Railway Strike of 1891 was marked by a lowering of prices to meet the necessities of the time, a step which was reflected in a decreased dividend. When the workers in any large industry were on strike for an improved standard of living, or were locked out by their employers in a struggle for the improvement of the economic conditions of the workers, the Wholesale could be relied upon to contribute towards funds for the relief of the dependent Co-operators. It is a practice at which employers may look askance, but non-combatants should not suffer in a struggle between capital and labour. During the great National Coal Strike of 1912 the Wholesale Society voted £5,000 for the relief of distress. It was not regarded as a charitable dole. The working-people, miners and others, who suffered were for the most part Co-operators; the funds from

* See page 108.

which this contribution came had been built up by the workers themselves and constituted a priceless nest-egg which, with the consent of their fellows in the S.C.W.S., they were entitled to make use of. On this occasion there was no doubt that the nest-egg was used by popular consent. The question of voting the £5,000 or not voting it was decided by a ballot of the society members of the S.C.W.S., and of 171 societies which voted only one voted against, two papers were spoiled, and the rest of the societies voted for the grant. In addition to that, societies reduced the price of bread and food in affected areas; the price of coal had soared considerably owing to the strike, but in a number of districts coal vendors were compelled to keep their prices down to that charged by the local societies which, in turn, had bought their coal from the S.C.W.S. which had no purpose to serve by inflating its price. The usefulness of the S.C.W.S. was also demonstrated by the fact that societies in some cases had to fall back upon their capital deposited with it to meet the demands of people who were unemployed. It was their own money, or, rather, the money of the members who called upon it; but the fact that it was available is a singularly useful contrast to what happened elsewhere, for banks at that time declined to allow miners' associations to withdraw funds. In all such times of crisis the Wholesale seconded the efforts of the local societies to assist those who needed help.

The most serious crisis of all was, of course, that occasioned by the Great War, and even yet the part played by the S.C.W.S. as a wonderful economic influence during the war cannot be fully understood.* The closing of the banks for three days left the S.C.W.S. workers in no anxiety about their wages, thanks to the Society's splendid resources. The Moratorium proclaimed on the outbreak of war postponed payment of debts, but the effect it had was to disturb trade and credit very considerably. Grain sellers across the Atlantic were not anxious to sell their grain except for cash down. Many buyers in the British milling trade were not prepared for such a contingency; but the financial resources of the S.C.W.S. enabled its buyers to pay on the spot, and they were enabled to select their grain and command supplies of the very best quality at the very best

* See next chapter for the Wholesale's social influence during the war.

terms, while others had to take very limited supplies of inferior quality at less favourable terms. The whole of the consumers in Scotland—whether Co-operators or not, but chiefly the Co-operators—derived the advantage of that transaction. The Wholesale determined to sell at normal prices as long as possible. Some days before war was declared the Master Bakers of Glasgow wished to raise the price of the loaf in view of the threat of war. The United Co-operative Baking Society blocked the way because the increase was not necessary, and for months the price of bread in Glasgow remained at the pre-war figure. The manager of the Baking Society stated afterwards without hesitation that that could not have happened but for the excellent fashion in which the society was supplied by the S.C.W.S. The Bakers could not raise the price while the Co-operators were selling at the old price, and so the Glasgow people as a whole enjoyed their cheap loaf because the S.C.W.S. made it possible for the Co-operative societies to sell at the old price. What the U.C.B.S. did in Glasgow, St Cuthbert's Association did in Edinburgh. In most other districts similar service was rendered, and the people were saved from an imposition which they would have had to bear without any real reason save the natural desire of the profiteers to make profit whenever the slightest opportunity came to them. In 1917, when the Northcliffe press was clamouring for a bread subsidy which would enable people to obtain the 4-lb. loaf for ninepence, at least thirty Co-operative societies in Scotland, deriving their flour from the S.C.W.S., were selling the loaf at ninepence or less; forty-four were selling the loaf at a price below the price prevailing in their districts—the difference ranging from one halfpenny as in the case of Barrhead to twopence halfpenny as in the case of Newmains—the dividend paid by the society enhancing the difference. The bread subsidy came, and it has cost the tax-payer 50 millions a year to enable the customers of the private bakeries to secure their bread as cheaply as the members of these Co-operative societies were able to purchase theirs.

The threatened sugar famine, when war came, led to wild speculation on the part of the consumers, particularly those who had money; and, while shopkeepers were pushing their prices up with feverish haste, Co-operative societies were

selling at their fair price. The Hawick Trades Council, to mention one, passed a resolution nearly at the end of 1914, thanking the Co-operative society for keeping its sugar at 2½d. while others were selling at 6d. per lb. Other societies which, like Hawick, drew their supplies from the S.C.W.S. were enabled to keep the price down in the same fashion.

The whole competitive system broke down under the strain of the first weeks of war, and the Government was forced to adopt the policy practised, from the beginning, by the S.C.W.S. and its constituents—the policy of eliminating competition and catering for a known market. In that it was only giving heed to resolutions from Co-operative societies and conferences and from other working-class organisations. The Government, in fact, was compelled in self-defence to adopt this policy. It was being fleeced by war contractors in time-honoured fashion. Everything it had to order had to be bought at enhanced prices, and it was in exactly the same category as the ordinary people of the land who did not avail themselves of the resources of Co-operation. The Government did discover the S.C.W.S. after vigorous efforts had been made to make it aware that such an organisation existed. It had found it out in the first days of war, because horses, vehicles, motor waggons and lorries were commandeered from almost every society in the country and especially from the S.C.W.S., and the agents of the War Office boasted quite openly of the splendid equipment in the way of transport requirements they had got from the Co-operative societies; but it did take some little time for the Government to assure itself that this Co-operative concern, owned by common people, had factories in which necessaries could be produced.* Before the December meeting of the Wholesale in that year, 1914, orders had been received for 69,086 suits for the British army; 15,000 blouses and 9,000 pairs of knickers for the Indian army; 60,000 pairs of boots for the British army; 15,000 blankets, and large quantities of hosiery, greatcoats, and shirts. The mills at Selkirk received wool direct from the sheep, prepared it, spun it into yarn, wove

* A large distributive society tendered for supplies for a local camp. Its tender was rejected, and the contract placed with a private firm. The firm apparently could not execute the order, and commissioned the society to execute it. The society, in turn, passed the order on to the S.C.W.S., which executed it.

STATIONERY WAREHOUSE

STATIONERY AND BOOK SHOW ROOM

CHANCELOT FLOUR MILLS, EDINBURGH

the yarn into cloth, and transferred the cloth to the clothing factories where it was converted into uniforms. We doubt if any other contractor carried out his contract so completely in his own establishments. Before long other Governments discovered the S.C.W.S., and orders were placed, to begin with, for 16,000 pairs of boots for the French army and for boots for the Russian army. In all, contracts were completed during the war for groceries and provisions amounting to £108,141; drapery and clothing, £571,483; boots, £252,987; furniture, £4,473—a total of £937,084. Knowledge of these contracts aroused a good deal of criticism on the part of rival producers, and on the part of agents and contractors who were not producers but middlemen, who resented the Co-operative concerns ploughing their field. They were not concerned about the service to the State but about their own profits. As usual, they reopened the old plea for the taxation of Co-operative profits, and held the S.C.W.S. guilty of violating the Co-operative charter by contracting for the Government. Prior to that the same people would have questioned the right of the S.C.W.S. to exist, but their arguments were ill-natured. The Government did not make requests; it gave orders. If the S.C.W.S. had declined then, the Government could have taken possession of the necessary establishments and compelled obedience. The S.C.W.S. performed its duty to the State, and it rendered valuable economic service because its goods gave the maximum of satisfaction. The Co-operative garment was known to many of the quartermaster-sergeants for its quality and make, and Shieldhall jams were easily distinguished by Tommies from some of the other makes. The goods were accepted with the minimum of complaint and with no profiteering. Indeed, the *Co-operative News*, replying to some of those who wrote in the press inquiring about the tax on these profits, intimated that the directors would probably be glad to challenge comparison of the S.C.W.S. profits with the profits made by other contractors; but there was no response.

The Wholesale, by general consent of the people who managed and the people who bought from the S.C.W.S., did splendidly in the supplies of all the goods for which it was dependent only upon itself. Before the war had run a year, horse-flesh was being openly sold in Glasgow shops, and, we

believe, also in Edinburgh; but it was not being sold in Co-operative fleshing stores. Wheat supplies were maintained at prices below what others could sell at, owing to the wonderful organisation of the S.C.W.S. in Canada. Hams and bacon and other farm produce were also being provided on terms that nobody could rival; and in the Jubilee year—the last year of the war—the Scottish Co-operative Managers' Association passed a resolution conveying to the directors and staff the cordial thanks of the managers and buyers for the excellent way in which their wants had been catered for, notwithstanding the enormous difficulties that had to be overcome.

The Government eventually became the sole importer of sugar and wheat; in short, it became a universal provider with its agents everywhere. The S.C.W.S., which had had to tell Co-operative societies what their allowance of sugar or butter would be, in order that all might get a fair share, found its place taken first by the Sugar Commission, then by the Wheat Commission, then by the Ministry of Food, the last mentioned carrying the process a little further and telling the individual how much bread he would be allowed to have in a restaurant or hotel, how much sugar he must use in a week, on what days he could have meat and on what days he could have potatoes—the Ministry even determined the price the consumer would be allowed to pay for certain goods. These methods were copied by the Coal Controller.

One would have thought that the Government would have observed the disinterested part the S.C.W.S. was playing in all its operations. In the very earliest stages of the war it had offered to put all its information and experience at the disposal of the commissions, and had offered to help in the great work of distributing food supplies. Its information was accepted and was found valuable, but no official regard was paid to the fact that this great distributive machine was operating at the behest of the half-million Co-operators and the families of these half-million—a total clientele of about two millions—because it was in the interests of the consumers that it should operate as it did. It had had contracts for the production and supply of goods for the armies; but the Government steadfastly resolved—or acted as if it had

resolved—that it would not be given any special consideration, and, as a matter of fact, it was not given the same consideration as was given to the traders whose object was to make profit. Even in local concerns the Co-operative organisation was contemned to a large extent until the period of Lord Rhondda's office as Food Minister, when he declared that the fullest use must be made of the organisation of the Co-operative societies and that Co-operative societies should be represented on the local food committees. Whether that idea was Lord Rhondda's or whether it was pressed upon him by his deputy and successor, Mr J. R. Clynes, we cannot say; but even after that pronouncement the Co-operative societies found difficulty in securing proper representation on the advisory committees formed in conjunction with the food commissions.

The Government had set out to do the right thing in the wrong way. It had undertaken to provide sugar, but it supplied it through brokers. Speaking at the September meeting in 1916, the chairman told the delegates that, in answer to complaints to the Sugar Commission, the directors had been told that if they did not get their proper supplies from the brokers acting for the Government they should let the Commission know. On taking the matter up with the brokers, the directors were told by the brokers that they did not get their quantity from the Commission. There would have been a touch of humour in the situation if it had not meant so much to the people. The fact was that the Government was concerned about keeping the brokers in business. In 1915 the S.C.W.S. sold to its members 46,361 tons of sugar. Excepting the C.W.S. operating in England, there was probably no firm in the country selling so much sugar direct to the consumer, and a case could be made out for special consideration. Even the C.W.S. could not command any better treatment from the Government in respect to sugar than the S.C.W.S. got. The membership of the societies supplied by the S.C.W.S. was growing enormously because people took refuge in them from the profiteers. This made added demands on the stocks of societies and on the stock of the Wholesale and reduced the demand upon the stocks of traders, but that brought no increase in supplies to the Wholesale. Even the influx of workers into new munitions centres did not improve the

supplies allowed to the S.C.W.S. until after long and vigorous pressure had been exercised upon the Commission. When this concession was made, no further effort was made by the Government to meet the needs of the Wholesale until the official rationing scheme was brought in.

The situation with regard to wheat was no less perplexing. Requests had been made to the Wheat Commission to include representatives of the Wholesale in the Commission. The S.C.W.S. was the largest milling concern in Scotland, and the C.W.S. was probably the largest milling concern in England; but neither would be allowed representation on the Commission. The Flour Millers' Association was represented, although it represented no consumers' interests, and the Food Controller at that time (Lord Devonport) was literally a wholesale grocer who could not be regarded as representing any consumers' interests; and the whole moral justification for the founding of the Food Ministry, and the various commissions which came within the Controller's purview, was that the consumers' interests might be protected. Lord Rhondda was the first Controller to give even lip service to the interests of the consumer. Under Lord Devonport's regime the Ministerial attitude was: We want your information, but we don't want you. The useful information given to the Wheat Commission regarding the S.C.W.S. organisation in Canada was a revelation to the grave and potent seigneurs composing it; and, in recognition of this organisation, permission was given to the S.C.W.S. to import its own collected grain from Canada to supply its own mills as before. The arrangement worked all right. The Government had the first claim on shipping accommodation, but the S.C.W.S. was to be at liberty to ship wheat for which it could find accommodation. Eventually there came a time when the freight space was refused. Protests were made in Canada, but without success. Protests were made to the Commission, but the result was that the S.C.W.S. was informed that at the end of 1916 the privilege of importing its own wheat would be stopped, and whatever supplies it collected would have to be sold to the Government's agent in Canada, and whatever supplies the mills required would have to be bought on this side. This meant that the Wholesale Society was saddled with brokerage charges for

every quarter, besides having to take whatever wheat was available instead of the high-grade selected wheat the Society was accustomed to mill. Under its own arrangements the Society had been able to keep its mills well supplied, and in 1915 three-quarters of a million sacks of flour had been milled. The new arrangements meant a good deal to Co-operators in Scotland. In response to a demand from societies that certain goods should be consigned carriage paid, the directors agreed that this system should be inaugurated with regard to flour from the Society's mills; but the Government again stepped in and prohibited this because, it was stated unequivocally, it would be unfair to other millers. The "other millers" were selling to "other persons," but the Co-operative societies owned the S.C.W.S. and its mills and were, therefore, entitled to believe they were justified in selling to themselves on their own conditions; but the Government's ukase in 1917 rejected that plain logic, apparently because the chairman of the British Millers' Association had asked what right the S.C.W.S. had to be in a better position than the private traders in any district. The Co-operative reply was that: "If the Wholesale can send goods to Wick, and it only cost 18/ to do so, what right have other people to say the Co-operators must charge 20/?"* The S.C.W.S. directors who had been interviewing one food committee after another for weeks and months were almost forced to the conclusion that the chief function of these committees was to prevent the consumers from being helped.

In 1917, when the Government regulations were issued making it compulsory upon millers to extract more flour from the wheat than was formerly regarded as the limit of safety to the public health, and husks formerly thrown aside for feeding cattle had to be converted into flour for human consumption, there was a vigorous outcry from the public which ultimately led to the use of imported white flour from America being allowed. The S.C.W.S. was once again penalised for its national service. The Milling Committee decided that the S.C.W.S. could only get the allowance of flour that it imported in 1915; but the S.C.W.S. imported very little flour in 1915, or in any year after the establishment of its own mills. Politicians who adopted the Tariff Reform

* S.C.W.S. Chairman at quarterly meeting in Glasgow—June 1917.

programme had familiarised people with the war-cry: "The foreigner has got my job." The S.C.W.S. had imported wheat rather than flour; it had developed its big milling industry and had given to Scottish millers the job which other flour merchants were willing to leave to the foreigner; but when it came to this food crisis the people who gave the American millers the work the Scotsmen could do were allowed the advantage of using the white flour, while the S.C.W.S. had to be content with a small proportion of this to blend with the Government Regulation flour which wrought havoc with the digestive organs of all—Co-operators or others—who used it.

The S.C.W.S. creameries, erected at Enniskillen by Scottish Co-operators to make butter for themselves, were put under control, and the products had to be sent to Liverpool where a clearing-house was established; but the result was that the S.C.W.S. was making butter for its own members and, for a time, could not get the use of any of it. The Government urged people engaged in the egg trade to collect all the eggs they could and put what were not immediately required into cold storage. The S.C.W.S. collected its eggs, stored what it could at Enniskillen; but was told, when it wished to send the surplus to cold storage, that the Government required its available cold storage for other things. Meat distribution was brought also under Government control, and the same unfair discrimination was shown against the S.C.W.S. until the Co-operators made a noise and the state of affairs was improved, the manager of the S.C.W.S. meat department being appointed to the executive of the South of Scotland Wholesale Meat Supply Association. In connection with margarine there was room for serious complaint. The Controller had set up a clearing-house for this article with the avowed objects of preventing overlapping in the distribution of margarine, of organising the various districts of the country with a view to facilitating distribution, and of saving carriage. These objects the Government attempted to achieve by sending S.C.W.S. margarine, made in Scotland, to private traders in England for distribution among English consumers, and by sending the productions of makers in England and elsewhere into Scotland for distribution among Scottish Co-operators. Thus, the Controller conceived, overlapping would be stopped, distribution

expedited and facilitated, and carriage saved. With regard to margarine, the S.C.W.S. delegates were informed* by the directors: "We could have rendered the Controller of this article valuable assistance, and were willing to do so, if he had cared to listen to what experience we had, but this he would not do." In coal distribution, also, the adoption of the "datum period" basis of allocation was unfair to a growing concern like the Co-operative movement and hampered the S.C.W.S. in providing for its members.

To move among the S.C.W.S. directors and the directors and managers of the distributive societies during those periods of scarcity was to encounter, at every turn, men utterly impatient of the methods of the Government and men almost in despair of ever persuading the Government officials and agents to take a sensible view of their functions. Lord Rhondda did agree, in July of 1917, that he would recognise the boards of the C.W.S. and the S.C.W.S. as the central organisations representing the trading departments of the Co-operative movement, and the two boards appointed a war emergency sub-committee to conduct negotiations with him. Despite this arrangement, which afforded the S.C.W.S. and the sister federation the opportunity of making direct representations to the Controller, the Controller was guided by his commissions and the commissions by the advisory committees, and Lord Rhondda's arrangement was robbed of much of its efficacy. Co-operative indignation was so aroused in Scotland that a large attendance of Scottish delegates took part in the special emergency Co-operative conference held in London in October 1917. While there, the delegates invited Scottish members of Parliament to meet them to discuss these complaints. The meeting was held in one of the committee rooms of the House of Commons, when the complaints regarding the food supplies were voiced by Mr Robert Stewart. Complaints regarding unfair treatment of Co-operative societies in respect to the calling up of employees for military service were voiced chiefly by Mr H. J. May, secretary of the Joint Co-operative Parliamentary Committee, but this matter affected the retail societies more than the S.C.W.S. Mr Stewart's complaints were listened to attentively by members of all parties;

* 15th June 1918, Glasgow.

questions were asked and replied to ; and the delegates retired after having been informed that their statements would be very carefully considered—an assurance which almost any deputation to almost any body with reference to almost any subject could rely upon at almost any time in the history of almost any Ministry.

The appointment of the Consumers' Council gave a new hope to Co-operators because the S.C.W.S. was represented on it. It comprised six Labour representatives, six Co-operators, three representatives from national women's organisations, and four members appointed by the Government to represent the unorganised consumers. It was an eminently fair " Consumers' Council " so far as constitution went. It was represented on all the advisory committees dealing with the principal foodstuffs ; it was allowed the privilege of considering the orders of the Food Ministry before these were proclaimed ; and its knowledge of actualities enabled it to render excellent service to the people as a whole. Its policy was all in favour of rationing essential foodstuffs to all on an equitable basis and of keeping prices from rising when it could not secure their reduction. Like the emergency committee of the two Wholesale Societies, it was devoid of any administrative part in food control ; it was only an advisory council ; and so its work was, to a considerable extent, discounted, although it was instrumental in securing a modification or improvement in some of the orders it was proposed to issue.

Despite all the drawbacks of the situation, Co-operators had a sense of triumph in the whole administration of the food supply by the Government. Speaking in September 1917, two months after Lord Rhondda had " recognised " the two Wholesale boards, Mr Stewart expressed the common Co-operative view when he said : " If we take a retrospective view of our activities we find much to encourage us to persevere. Our principles have advanced, notwithstanding the keen opposition arrayed against us. We have even succeeded in impressing the Food Controller with the potentialities of our movement. In these times of stress and strain, as an organisation we have been able to render much valuable assistance in connection with the controlling of prices and the regulating of the supplies of food. The influence of the

middleman has weakened. Competitive buying has, to a large extent, been supplanted. The State has become the buyer of many of the necessities of life. By this action the Government has exposed the insufficiency of private enterprise and has acknowledged the utility and economy of Co-operation."

He was not the only one who recognised all this. The middlemen recognised it, and the Government recognised it; and it was probably due to the fact that these two great powers recognised it that subsequent acts of the Government seemed to be even more clumsily restrictive of Co-operative freedom. The Prime Minister declined to receive a Co-operative deputation which was to put the case for the whole Co-operative movement, and the emergency conference already mentioned was held largely because of the provocation that refusal conveyed. To that refusal was also due the speeding up of the political machinery of the Co-operative movement. The holding of the conference resulted in the Prime Minister receiving a deputation later, and Mr Gallacher, who represented the S.C.W.S. board, spoke pretty plainly to the Prime Minister, who complained to the deputation about their holding a meeting against him.

The object of the control of food was highly commendable, but what went wrong to prevent its proper application was that the control committees forgot what the object was. They were more concerned about "keeping the existing channels of trade open" than they were about securing supplies at reasonable prices for the consumer. While convinced of the costliness and the superfluity of the middlemen, they were resolved if possible to keep the middlemen in existence and impose their intervention on an organisation that did not need them or use them before. Government buyers and agents were undoubtedly necessary; but, even if they were, the Government could have saved enormously if it had followed the example of the Wholesale Societies, which appointed their tea buyer on a fixed salary and discarded the system of payment by commission—a system which the Government adopted too often in its food supply arrangements. When all the difficulties and mistakes are fully measured, there still remains the truth of the chairman's statement

already quoted: "The influence of the middleman has weakened" (although not disappeared). "Competitive buying has, to a large extent, been supplanted. By this action the Government has exposed the insufficiency of private enterprise and has acknowledged the utility and economy of Co-operation." A less biased commendation of the Co-operative principle came from the editorial columns of the *Glasgow Herald* on the eve of the first anniversary of the declaration of war when, weighing up the cost and the sacrifice involved by the war, the view was expressed that, if we could substitute, throughout the world, the spirit of Co-operation for the spirit of competition, the great struggle would not be in vain.

XVII.

THE WHOLESALE AS A SOCIAL INFLUENCE.

THE PUBLIC SPIRIT OF THE WHOLESALE—THE VALUE OF EXAMPLE—IMPETUS GIVEN TO THE WORK OF THE LOCAL SOCIETIES—FINANCIAL AID FOR SCHEMES OF SOCIAL AMELIORATION—WORKERS' REPRESENTATION ON LOCAL BODIES—DIRECTORS AS MUNICIPAL CELEBRITIES—THE INFLUENCE OF THE DELEGATES' MEETINGS—THE SOCIAL SPIRIT AMONG THE EMPLOYEES—A MULTITUDE OF SOCIAL ACTIVITIES.

THE Co-operative movement does not regard itself merely as a trading concern. Co-operation is a law of life. It seeks to disestablish the individualism of the competitive system which, in its most powerful form, is the apotheosis of selfishness, and it seeks to substitute for it the spirit of Co-operation for the common good of society. It tries to eliminate all that will provoke men to take advantage of one another; to create a human sympathy in the community; and to dissipate all that tends to perpetuate the inequity that has created masses and classes and embittered the one against the other. In many places the Co-operative society is the centre of social life as well as a great factor in the economic life of the people, and the more perfect the society is the greater will it be both as a social factor and an economic factor—the one no less than the other. Notwithstanding its extensive interests and the multitudinous fields of its activities, the S.C.W.S. cannot shed the social features which pertain to its component societies. It cannot regard itself as something outwith the people, and it associates itself readily with all the heart-beats of the nation of which it is part and of the towns in which its establishments are situated.

Looking back over the records of fifty years we find many evidences of this. The S.C.W.S. had scarcely embarked upon its economic mission when it began to associate itself with the infirmaries of the city. Its first step in that direction was to subscribe £2, 2s., but in five years the annual subscription

had gone up to £20. In other five years the subscription became £30, in other five it was £50, in 1887 it was £100, and from 1891 till 1899 it rose at the rate of £100 a year till it reached £1,000. Since then the rate has increased, and since 1916 the annual subscriptions to the maintenance funds of infirmaries and hospitals have amounted to £3,000. In this way, till the eve of the Society's Jubilee, £44,737 had been subscribed. Besides that sums, varying with the demand but amounting in all to £25,166, have been subscribed to building funds, funds for the endowment of beds, and other special funds connected with these valuable institutions. To the building and maintenance funds of the Scottish Co-operative Convalescent Homes £15,812 has been subscribed, and £5,755 has been subscribed to Co-operative memorials of one kind or another. In a society so representative of the working-classes it would only be expected that times of disaster would see the S.C.W.S. acting sympathetically, and £2,046 has been subscribed for the relief of distress caused by colliery accidents, earthquakes, and famines. The S.C.W.S. does not limit its generosity to disasters affecting its own people, for a famine in India, an earthquake in Italy, a colliery explosion in Belgium, also make an appeal that is not disregarded. To various funds for the relief of distress caused by strikes, lock-outs, unemployment, and other industrial trouble, £7,218 has been subscribed. Educational institutions have benefited by votes amounting to £1,750, not including £300 for Ruskin College. A contribution of £500 went to the Co-operative Parliamentary Fund, a similar sum went to the Co-operative Veterans Association as a Jubilee gift out of a total of £30,000 devoted to Jubilee donations, and sundry other good objects have had gifts amounting to £303. When the South African War was in progress, £700 was subscribed to the relief of distress among the families of Reservists. In the Great War of 1914 the S.C.W.S. was constantly subscribing to one fund or another. The treatment of the Belgian refugees at Calderwood is referred to in Chapter XIII.; but the Wholesale's donations to the various war funds were no less than £24,219, besides £200 voted to the Belgian and French Co-operative Societies' War Emergency Fund—which is only a trifle of what the S.C.W.S. has

undertaken to do to help in the restoration of Co-operative organisations in the devastated areas of Europe. Reference has been made in a preceding chapter to the relations between the Society and its employees. What has to be said here might have been said there, but it appears to be more in the nature of social service than economic influence. When the war broke out a good many of the employees were Territorials or Reservists. The directors agreed to give to the dependants of each of these men the difference between Army pay and the wages paid by the Wholesale. This, as can be imagined, relieved the men called up of a great deal of natural anxiety regarding the welfare of those they had to leave behind. Those who felt prompted to serve the nation under the Colours left with the same guarantee, and there is no gainsaying the fact that this decision facilitated recruiting to a considerable extent among the Wholesale employees. Up till the end of 1918 no less a sum than £128,797 had been paid in wages to employees with the Colours. These men had their places kept for them; those who returned to work were all reinstated and received, not only their old wage, but the increases that would have accrued to them had they remained at work all the time they were with the Forces of the Crown. It must not be forgotten that these moneys were paid to all these purposes by the men and women of the retail societies which were members of the S.C.W.S. These retail societies were subscribing generously to similar objects, and their members through their trade unions, their friendly societies, their church organisations, and their workshops; and the Wholesale's contribution was an added subscription, not only willingly given but insisted upon. It is a fact worthy of note that the Co-operative societies in the kingdom paid wages or allowances to their employees in the Army and Navy which would probably be underestimated at two millions while the war lasted. Of the S.C.W.S. employees over 2,000 men joined up. Of this number 271 were killed, 24 were presumed to have been killed, 276 were wounded, 62 were invalided, and, at the end of 1918, 10 were missing and 43 were prisoners of war. The following awards for bravery on the field were gained—viz., twenty-one Military Medals, eight Distinguished Conduct Medals, one Military Cross and Bar, one Distinguished Service Medal, and one promoted

on the field to be a lieutenant. Two gained both the D.C.M. and the Military Medal; one of them was killed. Two of the employees who gained the Military Medal were also killed. The Wholesale's interest in its own employees with the Colours led to a kindly interest being taken in the wounded soldiers in hospitals where the Wholesale had business premises. The employees of the Wholesale acted with splendid generosity in supplying gifts for these men, as well as for those at the front, and they frequently arranged social evenings for those in the hospitals; but the Society itself revelled in work of this kind. Special gatherings were held in Glasgow and Edinburgh and Leith and Dundee each year at which the men were royally feasted and entertained and presented with smoking material and confectionery; but the greatest treats of all were the splendid cruises given in two successive summers when large parties—700 soldiers on one occasion—were taken on specially chartered steamers down the Clyde to Loch Goil. At the first of these, when the steamer was nearing the Broomielaw, Mr Stewart, responding to the votes of thanks which the cheering Tommies accorded the Wholesale, expressed the hope that the day would not be far distant when the world would be free of militarism. The expressed wish was the signal for a fresh outburst of cheering from the wounded lads who had learned something of the social spirit of Co-operation.

Needless to say, all this had its effect on retail societies which hastened to follow the excellent example of the Wholesale. Social gatherings for soldiers were held in almost every centre. Work parties of employees in the S.C.W.S. and in the societies and among the women's guilds were busy day after day knitting socks for soldiers, and where there were Belgian refugees they were always hospitably entertained by the Co-operators.

The social enterprises of the Co-operative societies were warmly helped by the Wholesale. The frequent visits paid to the Wholesale factories by parties of Co-operators brought the members of societies into a harmonious relationship that could not exist among people who were simply customers at the one shop. The fact of their joint ownership of the Wholesale establishments, the fact that they were the employers of this great army of workers, and the pride that they took in the

orderliness of all the establishments and the healthy surroundings of the workers gave them a common interest, and filled them with a common desire to promote the social well-being of the employees and of the members for whom they worked. This has reacted on the workers favourably, and has tended to promote the kindlier feeling between these employees and their employers which is an undoubted mark of the service, and which is something that wages alone could not produce. The frequent shows held under the auspices of the drapery department and of the dried fruit department also tended to develop the social spirit. Every new factory opened, every new warehouse extension, was made the occasion of a festive gathering which made the Co-operators in Brechin and Galashiels not only members of one association but friends. Even greater intimacy was developed by the periodical exhibitions of Co-operative productions held in different centres. One of these exhibitions was held at the opening of the Paisley Road warehouse in 1873. Others have been held in nearly every town in Scotland. At first the district exhibitions were small affairs, and consisted of a display of Wholesale products; but they grew in scope and magnitude and attractiveness. One of the first of the kind with which Co-operators are familiar was held in Barrhead in the early 'nineties. Even that was on a small scale; but the last pre-war exhibition was held in St Andrew's Hall, Glasgow. It lasted for several days, and was typical of what had been shown at most other exhibitions for some years. Every phase of S.C.W.S. production was represented; girls were seen at work on clothing; and printing and bootmaking and brushmaking machines were also seen by the thousands who crowded to the place during the days of the exhibition. The Co-operative societies in the area where such exhibitions were held were usually invited to send delegates to a conference at which the whole relations between the Wholesale and the retail societies were discussed, the chief purpose being to forge the link of friendship between Co-operators and their organisations. Even the children were not overlooked, and the visits of the young people to Co-operative establishments and the little parties arranged for them at which the social sense was instilled into them and the spirit of comradeship developed, have all had a social influence the value of which cannot be either denied or belittled.

As a part of the social structure the S.C.W.S. and the delegates attending its meetings have consulted the nation's needs in many respects, and it has lent itself to the good of the community. In 1908 the Society decided that any of its employees who were elected to town councils or other public boards should be allowed facilities for attendance to those duties. The directorate has always had several prominent members of municipal councils. Mr Maxwell, we saw, had stood for Parliament. Mr Andrew Miller, the last secretary, was for long a Bailie of Tillicoultry; the names of Bailie Murphy of Lanark, Bailie Stevenson of Kilmarnock, Bailie M'Nab of Leith, Bailie Arthur of Paisley, Bailie Stewart of Kinning Park, Bailie Little of Galashiels, Bailie M'Donald of Dumbarton, Treasurer Young of Musselburgh, Bailie Allan of Perth, and Councillor Bardner of Dunfermline go to show the measure of interest taken in public affairs by the men who have led the S.C.W.S. in our own day. Mr Robert Stewart would have been Provost of Kinning Park had the burgh retained its individuality for another year or two; but on the shoulders of the secretary, Mr Pearson, has descended the mantle of the Provost of Alloa, and Mr A. B. Weir, one of his colleagues on the board, is the Provost of Barrhead, from which the S.C.W.S. itself may be said to have drawn the breath of life. It need only be added that few of the members of the board have not at one time or another been members of school boards, and Mr T. B. Stirling is a county councillor. When the movement decided that the time was ripe for the nomination of Co-operative candidates for Parliament, the Co-operators of likely constituencies turned their eyes to the Wholesale board; but the directors turned theirs to the responsibilities of their office and their duties to the great institution itself, and they decided that, while the movement should be represented in Parliament, they could not serve the electorate in Parliament and serve the Co-operators in Morrison Street and West Africa and Leith and India at the same time. The shareholders took that view also, after having digested the board's report on the subject, otherwise several members of the board would have been subjected to the tender mercies of the heckler at the general election.

One thing is certain, the experiences of the directors and of the regular attenders at the Wholesale meetings have been an

REGENT MILLS, GLASGOW

THE PREMISES AT ENNISKILLEN

excellent education for public service. The men and women who, week after week, are discussing the business of this great concern intelligently, have a grasp of the things that matter. The problems of employment and the organisation of industry, the problem of food and wages, the problem of our whole social relationships, all come under the purview of the directors and delegates alike, and without an intimate knowledge of these things no body can legislate for an industrial nation.

The social spirit is largely developed among the employees of the Wholesale as well as among the members. They, in their various departments, do in their own way and in their own name what the Society itself is doing in a larger sphere or in a larger degree. They have their regular self-imposed levies for philanthropic objects, and the public institutions benefit to the extent of over £1,000 from the generosity of the employees. Their contract at the desk or at the bench does not end there, for many of them are active members of distributive societies and meet at conferences and congresses and other Co-operative assemblies. Apart from that, they have their own associations, managed by themselves for their own benefit or amusement. The Shieldhall printers, for example, inaugurated a series of excursions to England on such a big scale that several special trains were usually required to carry the party. This trip might have gone on still but for the war. The "office picnic" was for a long time an annual fixture in the Morrison Street programme. Until the war, almost every warehouse had its social gathering which established the best possible relations between the ladies and, or, gentlemen employed there. Shieldhall used to have its football club; the drapery department had its bowling club, and the athletic tastes of the various departments found an outlet somewhere. The "office crowd" had its debating society for a time, and its musical associations. When a comrade was down ill, his fellows could throw their enthusiasm into working up a benefit concert, and one of this "office crowd" tells with some little joy of the expression in the face of a sick comrade and his wife on being handed a little bag of fifty sovereigns raised by one of these concerts. We have attended a smoking concert at which prizes were presented in connection with a season's bowling. Nearly everybody got a prize, and every prize was an article for a lady, so that there

would be no obstacle in the way of the members joining again the following year. We have witnessed "Rob Roy" produced by a complete company of S.C.W.S. employees, with actors, chorus, and orchestra all from within the establishment. The Wholesale establishments are rich in magazine clubs and reading clubs. In nearly every establishment there is a holiday fund club. In the head office holiday fund the average income before the war was about £3,000 a year, and one of the officials tells us that if it were not for the holiday fund "most of us would be broke when the Fair comes." The Employees' Sick Benefit Society, which is open to all the employees, has distributed nearly £6,000 among members who have been laid aside. The latest organisation to be added is the S.C.W.S. Band, a combination of employees which bids fair to take a high place in musical circles.

These associations are all highly commendable, not only for the immediate purpose they serve, but for the spirit of fellowship they create and stimulate; and such a spirit among the 9,000 or 10,000 employees raises their occupation from the level of what is usually called work to the level of social service; and there is probably no concern in the country whose employees have a higher *morale* than that exhibited by the men and women employees of the Wholesale.

XVIII.

CONCLUSION.

WHAT THE S.C.W.S. OWES TO SOME DEPARTED VETERANS—SOME OF THE SURVIVORS FROM THE EARLY DAYS—A MEMBER OF THE ORIGINAL BOARD—DEAD HEROES AND LIVING TROJANS—SOME HOLYOAKE REMINISCENCES—A FEW OF THE FORMER EMPLOYEES—STIRRING AGITATION OF THE PAST—THE FIGHT OVER "PROGRESS"—WHAT THE FUTURE HAS IN STORE—CO-OPERATION IN A SCHEME OF NATIONALISATION—NEW ENTERPRISES AHEAD—JOINT ACTION OF THE TWO WHOLESALES—THE COMING INTERNATIONAL C.W.S.

We have set forth the story of fifty years' progress in the preceding pages, so far as that story can be generalised. The story tells what the Co-operative system had to supplant, the reform it was expected to effect, and how it has been effected. It goes without saying that those who are most zealous for the establishment of the Co-operative commonwealth—the ideal of all true Co-operators—are not convinced that the goal has been reached. We would be nearer the truth if we said that the more zealous they are for that goal the more they are convinced that it has *not* been reached; and the zealous, more than anybody else in the whole Co-operative movement, know full well that an ideal realised ceases to be an ideal and becomes only the stepping-stone to greater things.

It has been impossible to go into the intimate details of the great Society with its living, thinking units, each of whom believed in the reality of the reform which Co-operation would bring, and many of whom would be amazed, were they spared till to-day, at what has actually been accomplished.

In the chronicles of the Wholesale there are records of many full-dress debates to which considerable space was given in the Co-operative press. Much could be culled from these; but we have had to content ourselves with setting forth the greater factors which concerned the Wholesale and moulded it, and built it up, into what it is now—a triumph of the persevering

efforts of the working-classes of the country. It has been impossible to reconstruct many scenes that would interest Co-operators of to-day; for that would have been a task so engrossing that we would have been tempted to enlarge upon what, after all, were only incidents in the great journey which began in 1868.

What that task would have been will be fully apparent to those who have attended the quarterly delegate meetings for any length of time, and we have tried so far as possible to eliminate the merely personal episodes of the fifty years covered by the review now nigh completed. The personal, however, was a great influence in the early days. Take away the foresight of the unknown "Juniper" of Hawick and Scotland's voice would have been almost unheard while Henry Pitman was struggling to convince Co-operators—English and Scottish—of the need for Wholesale Co-operation. Take away the irrepressible doggedness of John M'Innes, and the S.C.W.S. might never have taken shape. Despite his one blunder, Borrowman did spade work that laid the foundations of the structure of which Co-operators in Scotland are justly proud. Everybody was not against him. He made a bold bid to set a promising productive concern on its feet. Had the risk been followed by success, many who, in the event, reviled him would have praised his foresight. He failed, and he bore the penalty of failure; but the failure was not one which prevents Co-operators of to-day raising their hats to his memory. To-day, when little seems impossible to the S.C.W.S., and when no enterprise seems outwith its scope, Co-operators must pay their respects to those who pioneered the Society—not only to those who organised Co-operative opinion in favour of its inception and organised the capital which set it out on its great mission to revolutionise the domestic conditions of the people, but also to those who conducted the business of the Society in its opening years and engaged some of the officials who still stand by the old ship.

Mr Richard Lees, a former stalwart in St Cuthbert's Association, is the only member of the original board who remains.* His name was greeted with cheers when St Cuthbert's

* News of the death of Mr Lees came to hand as these pages were ready for the press.

Association celebrated its jubilee in 1909. It was greeted with cheers when it was mentioned at the S.C.W.S. Jubilee, although he was not present on that memorable occasion. Mr Lees has shaken the dust of Edinburgh from his feet, and has been in residence in Glasgow with his relatives for some years. His hair carries the snows of years; his hearing is impaired; his memory is not what it was; but the occurrence of the S.C.W.S. Jubilee aroused a keen sense of delight, and he was looking forward to taking part. Indeed, it was with difficulty that he was prevented from being present; but the risk to his health was too great, and so the old man sat in his armchair at home and heard the wonderful story of the progress of the babe he nursed to life fifty years before. Old directors have gone one by one. The latest of them was Mr John Pettigrew, who represented Beith Society on the board in 1879. His fortunes drove him to Glasgow, where he was a devoted member of St George Society for many years, and acted, for a long time, as secretary of the delegates' council of St George.

Mr Allan Gray, still the cashier of the Society, always looks back with pride on the early days when he acted as secretary. Co-operators are deeply appreciative of his work, and when the Jubilee arrived he was one of the most popular officials in the Society. Mr David Rowat, another old director, is one of the most respected Co-operative managers in Scotland. Mr W. F. Stewart, who, despite his long years of service, would never have grown old had the Government not inaugurated wheat control, occupies a niche quite his own; for had his vigorous and candid eloquence not been devoted to promoting the establishment of the Leith branch of the Wholesale, it is quite possible that a separate wholesale society might have been set up for the East of Scotland in the 'seventies of the last century. It would have been a misfortune; but Mr Stewart's eloquence was convincing, and the S.C.W.S. took the step which gave to the societies in the East the benefits they sought and so averted a mistake. Mr Alexander Meldrum, the old president, who gave place to Mr Maxwell's chum, Andrew Boa, is another survivor of the past. Mr Meldrum has, for many years, been an honorary member of the Central Board of the Co-operative Union, and he still retains an affection for the Wholesale which is only rivalled by his delight at its great achievements. We

sometimes wonder, too, what would have happened to the Wholesale if Mr John Barrowman had not allowed himself to be persuaded to take the treasurership when he did. He commanded the support of trade unionists, and won renewed confidence in the Wholesale at a time when confidence was shaken. His work for the federation has been described,* but his record cannot be extolled too often. Mr John Allan, who was revered by Co-operators in England and Scotland alike, though dead still speaks to us from the past, and his kindly message to Co-operators at all times breathes the spirit of comradeship and bids them rise from all pettiness to the high ideals of mutual helpfulness. Of those who still live to guide the destinies of the Wholesale we dare say nothing. They are men still subject to the authority of the quarterly meeting—a tribunal not to be regarded lightly. But two presidents cannot be passed over without a final word.

Mr Maxwell, now Sir William Maxwell, K.B.E.,† president of the International Co-operative Alliance, who is probably the best known Co-operator in Europe, climbed to his position by sheer force of energy and ability. When he accepted the responsibility of the presidency, he threw everything else aside. He devoted himself to the task of building up the Wholesale solidly. It was a task which had to be pursued by methods adapted to circumstances. It might be that the exigencies of the service demanded that he should be across the Atlantic seeking supplies, or in England seeking help and advice from his English friends. It might be that the Wholesale could be best served by his attending a soiree in some obscure little village hall in Lanarkshire or Fife—and on some such occasions, as he has frequently told, he has not only had to deliver an address, but has had to say the grace and sing a song. He did his work well in either case. His successor has also climbed the ladder rung by rung. There is scarcely a Co-operative district in Scotland to which Mr Stewart has not given propagandist help; and, though a devoted Liberal in politics for many years, when it became apparent that people elected to Parliament on the old political issue were using their votes against a movement which could

* See pages 105, 111–2, 216.

† Mr Maxwell was knighted by the King and received the accolade at Buckingham Palace in August 1919.

point to such an excellent record of useful work done on behalf of the people, he cut the old bonds and declared himself on the side of Co-operation and its ameliorative, unselfish policy.

In the chapters that have gone before we have alluded to the more important events in the Society's history as fully as has been permissible ; yet a fund of anecdote might be collected from the pages of the past. The S.C.W.S. has rarely failed to impress visitors, whether from Scotland or England or from countries beyond the sea. Mr Holyoake's account of the majority celebrations, for example, is specially noteworthy for one interesting touch. Writing of the dinner at Shieldhall, he said : " A large gilded épergne, stretched before the chairman, in which golden fish disported, whose movements being reflected on the mirrored surface below them, caused Mr Mitchell to exclaim that the 'golden days' of Co-operation had come. More than six hundred persons dined sumptuously without defect or inconvenience to anyone. There was not only affluence, but the affluence was always at hand. At the Manchester Wholesale celebration, out of the number of waiters engaged, seventy-nine never appeared, which caused great defect of service. At Shieldhall there was a waiter to every ten persons." In the same account, referring to the laying of the memorial stone of the new drapery warehouse, he remarked that : " The ceremony was preceded by a prayer by Mr Marshall, which was not too long, and had the happy grace of relevance."

Mr Holyoake had a more interesting recollection of the Glasgow Co-operative Congress of 1890. Part of the Congress arrangements provided for an excellent exhibition of Co-operative productions. The Rochdale Society made a special show of Co-operative tobacco, and when Mr Maxwell was showing Lord Rosebery round the exhibition the attendant at the stall kindly offered his Lordship a sample of the Co-operative product. His Lordship was duly appreciative of the gift—so appreciative that he produced it proudly in the evening for some of his friends to share. Unhappily, however, the attendant had given him a show packet which contained sawdust instead of tobacco. The mistake had been discovered eventually by the attendant ; but his Lordship had left the exhibition by then. When the mistake was explained by Mr Maxwell,

Lord Rosebery laughed at his discomfiture and enjoyed the joke immensely. An effort was made to keep the matter quiet; but it was too good a joke to be lost, and Mr Holyoake told the story in his special article on the Congress in the *Co-operative News*.

Of the employees many interesting stories might be told, and probably will be told some day; but we cannot refrain, even in this case, from recalling that on one occasion when stocktaking was in progress, and when all hands were turned on, one of the stocktakers put on duty in the furniture warehouse was a venerable old servant who did not like to be left out but whose sight was not what it once was. He had been put on to take the inventory in the linoleum department, and when his sheet came to be checked there was a roll of linoleum too many. He would not accept that and counted again, only to be convinced that he was right. The checker went over the stock with him, and then it transpired that the old man had persisted in counting in an iron column as a roll of linoleum. These little humours did lighten things at the Wholesale often; but they did not lessen the appreciation of the members for the good work done by the employees, and the Society has been well served by a devoted band of workers who, on the whole, bear excellent records, while some stand out as shining examples by reason of their excellent personal character. Reference has already been made to old James Leggatt, the Society's nonagenarian. From being a drawboy in a Paisley mill at the age of eight to being a buyer in one of the biggest warehouses in the country (with its two millions of a turnover) was a big stride. He was the weaver of a plaid shawl which gained the prize medal at the great London Exhibition of 1862, and the shawl was afterwards shown at Berlin and elsewhere. Quite as remarkable as his old age was James's record as a family man. He and his wife were spared to live together for thirty-seven years. They had a family of seventeen; but they adopted another, an orphan girl, because she was friendless, and, so far as they were concerned, James and his wife mutually agreed that an extra bairn would make little difference. At the social functions held by the drapery warehouse staff—often dress dinner—James was always present, even after he had passed his eightieth year. With his Gladstone collar, his fine gold

watch chain round his neck in the old style and showing across his shirt front, he looked a picture of contentment, refusing proffered cigars and smoking what he liked best—a long, clean, clay pipe filled with Shieldhall tobacco.

In the historical section of this volume there is appropriate reference made to Mr James Marshall, the first grocery buyer for the Wholesale Society, who succeeded Mr Borrowman as the manager. Mr Marshall continued to act as buyer for a time after he succeeded Mr Borrowman ; but there were other buyers who left their mark on Co-operative annals. Mr Richard Lees, whom we have already mentioned, was also a buyer in his time. Mr Lees was succeeded as a buyer by Mr Robert Reyburn, manager of the Dumbarton Equitable Society ; but Mr Reyburn lingered longer on the Co-operative stage as an active official, and came down to quite recent days as the secretary of the Co-operative Drapery and Furnishing Society, Glasgow. The branch of the grocery department for which he acted as buyer is that now under the supervision of Mr Malcolm M'Callum. In the historical section we refer to the first foreign mission of the directors of the S.C.W.S. Mr Marshall may be described as the first S.C.W.S. missionary in foreign fields, for, in 1873 or 1874, he was sent to Denmark along with Mr Wilde, of the English Wholesale Society, in search of supplies of butter.

The quarterly meetings provided a rich store of anecdote too. The meetings were looked forward to by the delegates, particularly by the regular attenders ; and those who attended a meeting for the first time were always eager to go back. When we think of some of the great discussions that took place, we are reminded of a street corner altercation we once overheard. One speaker was telling his listeners what the country owed to the Liberal Government. Old age pensions was cited as one provision for which we were indebted to them, and one of the listeners asked : Are you giving the Liberals credit for that ? " It was not the Government that decided that," he added ; " it was us. We settled that at this corner." Many important decisions have been arrived at at the S.C.W.S. meetings, and many important new ventures have been agreed upon ; but in many cases these were thought out in quiet, informal chats among working men in their mills or mines before the societies of which they were members decided to send notice of motion

to the Wholesale. The starting of the Leith branch, the opening out of the depot at Kilmarnock, the appointing of the directors as full-time men, even the starting of some of the productive works, were all matters which, in many instances, had been fully considered and planned by their advocates without formality —and without fear. The bonus controversy was probably the most serious of all; but some of the most rousing discussions have centred round the Progress Society. This society is quite unique among Scottish societies. The employees of the Wholesale had had the privilege that was extended to the employees of most big establishments in the country of making cash purchases for themselves at wholesale prices. The privilege obtains in most big warehouses yet; or, if employees are not supplied at wholesale prices, they are allowed a considerable discount on the ordinary retail prices, always on the understanding that the articles purchased are for their own use. In 1895, however, the delegates at the quarterly meeting of the S.C.W.S. discussed the question, and a motion was submitted by Mr Clark, of Kilmarnock, that "the present system of employees and directors having the privilege of purchasing goods from the S.C.W.S. at wholesale prices be discontinued." There were several amendments to this tabled at the same meeting. Mr M'Lay, of Cowlairs Society, moved the subtle amendment that the words "employees and" be deleted. It would have denied the directors of the privilege which they shared with the employees. The same view was in the mind of Mr D. H. Gerrard, who was then a vigorous Co-operative propagandist and a member of the Scottish Section. His proposal was that the privilege should be exclusively confined to the employees; but he went further, and sought to limit the operation of the privilege to the department in which the employee was engaged and to limit the amount of the purchases allowed to a maximum sum to be fixed by the directors and published in the committee minutes. Mr Clark's motion was carried to the great disappointment of the employees, and the retail trade had to be confined to Co-operative societies. The employees were alert, however. A number of them met, and it was agreed to form a Co-operative society confined to employees. This was done, and the society made formal application for admission to membership in the S.C.W.S., the

application being granted. A fairly large warehouse was eventually opened in Crookston Street, and the society did a good business. The methods of the society differed from those of other societies, because the business was run on the non-dividend system, so that the members enjoyed almost the same privilege through their method of trade as they would have enjoyed had Mr Clark's motion not been carried. The extent to which the trade of the society grew, however, rather amazed other Glasgow societies, and the propriety of allowing these methods to continue was frequently and vigorously discussed.

To recall the many interesting episodes would mean that we should have to relate innumerable incidents centering round the regular appearances of William Barclay and John M'Nair of Kinning Park, of David Glass of Perth, Henry Murphy of Lanark, John Welsh of St Cuthbert's, and of a host of others whose identity must be sunk in the collective whole.

Much still lies before the S.C.W.S. It will not be satisfied until an enormous part of the food used by the people of Scotland is grown by the application of Co-operative labour to Co-operatively-owned land. Even should land nationalisation come, and the Co-operative movement through its representative Congress has declared that it should come, proper regard will be shown, by any sane Government, to the needs of a body catering as the S.C.W.S. does for the essential wants of nearly half the population of Scotland. The greatest aim of the movement is to make its members independent of all concerns which simply live for profit-making ; and the enormous part of the food supply which is, at one stage or another, controlled by vested interests, appears to Co-operators to be one of the greatest evils in our whole economic system. In the years immediately to come, the S.C.W.S. will probably develop in the direction of producing more and more food and more and more of the raw materials. As has been the case in the milling trade, the S.C.W.S. may be relied upon to produce as much as is possible in Scotland, and when favourable opportunities in Scotland are not available the Society will regard the world as its oyster—to adopt Shakespeare's words—and will proceed to open it. There is an enormous amount of food production to come ; but the steps are being taken. Sugar refining is already within the sphere of practical politics. The growth of crops,

as the references to the various departments* show, indicates how much there is to be done in the way of producing wheat, oats, tea ; but all cannot be done at once. Paper-making will one day become an important Co-operative industry ;† but there is no limit to possibilities in Co-operative production. When we think of the hundreds of thousands of garments that are made and sold by the Co-operative societies of Scotland every year, and attempt to reckon up what is required in these garments but is not produced under Co-operative auspices, the possibilities are large ; for there are buttons, and cotton thread and linen thread—to say nothing of the hundred and one other "ingredients," so to speak, which go to the making of these articles. The S.C.W.S. need no longer stand alone now. The concordat arrived at between it and the C.W.S. points clearly to a direct partnership between the two Wholesales with regard to overseas ventures, and with regard to any other enterprises in this country which could not be successfully managed by one society alone. There is the still greater possibility forced upon the minds of Co-operators by the war, but present there long before—the possibility of a great International Wholesale Society which would be a model of government to the whole world, leaving each Wholesale Society full self-determination in its own sphere, but combining all for the good of all in one grand signed and sealed treaty of Co-operative effort for the common good of the common people, who up till now have been the last persons in the world to be considered by any one in power. The lines upon which such an International C.W.S. might operate are being carefully considered in every country in Europe ; and, when once the war clouds are dissipated by the fresh breezes of reason, we may witness the birth of that great organisation which will be entitled to be regarded as the Food Ministry of the Co-operative Commonwealth.

* See Descriptive Section.

† A paper mill has been acquired since this chapter was written.

DESCRIPTIVE SECTION.

MORRISON STREET.

WHAT'S in a name? Despite the traditional question there is a good deal in a name, especially when that name is Morrison Street. That name conveys a great deal more to the Co-operator than it does to the postman. To the Co-operator it means as much as "Downing Street" does to the politician. It is not simply a location. It is something living. It connotes a centre of strength and power. When a new Co-operative enterprise suggests itself to the Co-operative enthusiasts, their first anxiety is to know: What does Morrison Street think of it? As the centre of Co-operative strength in Scotland therefore, "Morrison Street" signifies a great force; and the Co-operator may be pardoned if he believes—for he believes rightly—that the operations of "Morrison Street" have been more consistently directed with a view to helping the masses of the people than the operations of "Downing Street." "Comparisons are odorous," as Mrs Malaprop would say; but there are times when they are pardonable, and the comparison just made is privileged in a volume like this.

If it be true—as Shakespeare thought it true—that one may find sermons in stones, Morrison Street viewed only as a thoroughfare should prove a veritable missionary crusade to all who are concerned with problems of economic importance. In Morrison Street and its offshoots there are to be found at one end examples of the need that many people have of economic and social salvation; and at the other end there is the great symbol of the most effective means yet devised of bringing about that salvation. At one end there are the evidences and effects of poverty; at the other the great monuments raised by people rising from poverty to comparative comfort. Traverse Morrison Street from east to west, and there loom up larger and nearer the great towers and façades of the people's own valuable property as Co-operative buildings meet the eye. From the Paterson Street crossing to the end of Morrison Street, where it merges in Paisley Road, there is nothing but Co-operative

property to be seen. Those who are away from that district for a time are always impressed with the changes they find when they return. Take the original part of the S.C.W.S. property there—the eastern extremity of the triangular block enclosed by Dundas Street, Paisley Road, and Morrison Street. There are Co-operators alive who, when they saw that first erected, declared it to be the most wonderful possession the working people ever had. Look, when approaching the S.C.W.S. head-quarters from the east! With the exception of the dispensary adjoining the stationery warehouse and the tenement on the opposite side of the street, the whole line (on both sides) is business property used by the S.C.W.S.; and the dispensary and the tenement are both doomed to disappear to make way for more buildings *en suite* with the rest. Look down Paterson Street from the stationery corner to the fruit warehouses; look up Paterson Street at the dimensions of the drapery warehouse which now fronts Morrison Street itself; look further up Paterson Street and see the array of factories and workshops in the distance. See the extending stationery warehouse itself; the solid, ornate building now being erected for the grocery departments; the magnificent building capped with its beautiful statue-crowned tower. Walk slowly round the masses of Co-operative architecture and realise what commercial developments, what changed conditions of the people, must have warranted the erection of these stately buildings one by one. Yet, not so long ago, the sites of the stationery and drapery warehouses were occupied by villas. Morrison Street was a back street and Paisley Road was the main thoroughfare. The back gardens of the Paisley Road villas were in what is now Morrison Street. The gusset block, where the dining rooms are situated, was the British Workmen's Coffee House. One house adjoining the site of the present fruit warehouse was a lodging-house for the use of German emigrants while they waited the vessels for America. The site of the palatial premises was a fair ground, one of the most conspicuous features of which was "Collins' geggie." The Kinning Burn ran through the neighbourhood, and cows grazed on its banks. The site of the drapery warehouse was occupied by little mansion houses, and in some of these the work of the Wholesale was carried on. The building occupied by the

Scottish Section of the Co-operative Union—at the corner of Wallace Street and Clarence Street—was typical of the district in the olden days; and that particular house was "Kingston House," and in it the Samaritan Hospital was first located. Even the Kingston Dock was not always the Kingston Dock. At one time it was a pleasant little loch. The land now given over to the dock constituted part of what was known as Windmill Croft, a small estate owned by Alexander Oswald who died at Shield Hall in 1813, and whose antecedents owned Madeira Court and what is now called Oswald Street. They were a worthy family—as many Glasgow monuments indicate—and it is not without some significance that the principal centres of S.C.W.S. activity in Glasgow have been established on ground owned by the Oswalds who, in a different way, believed they were doing useful service to the community.*

Developments in this neighbourhood are already shaping themselves. In a short time the whole properties bounded by Paterson Street, Paisley Road, and Wallace Street will be devoted entirely to S.C.W.S. business. It is largely so already; but the new buildings now in course of erection, and the new buildings designed to replace the old buildings at the two corners of Dundas Street and Morrison Street, will make this area of Glasgow one of the most important business centres in the whole city—important because in these buildings the business carried on is for the people and under the direction of the people themselves. Even before now, distinguished visitors to the city, passing these great premises, have betrayed no little amazement on learning that they were the property of the Co-operators of Scotland. It has even been predicted that the Wholesale will one day lease a large part of the Kingston Dock for its own import trade. That is speculation; but it also smacks of intelligent anticipation.

THE CENTRAL PREMISES.

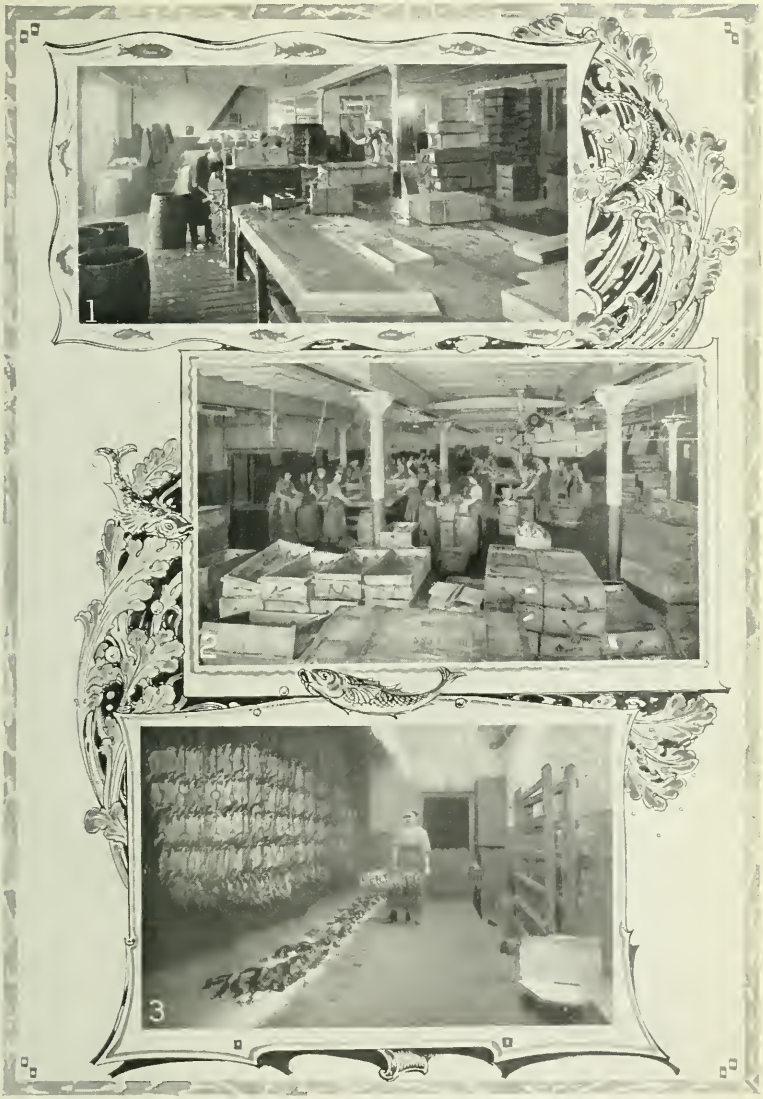
When the palatial building which houses the central premises of the S.C.W.S. was completed in 1897 there were many indignant protests made in trading circles against the money

* Details of the family are given more fully in the descriptive account of Shieldhall.

of Co-operators being spent in buildings of this kind. The building is only second in Glasgow to the City Chambers or, as Continental friends would say, the *Hotel de Ville*, and it is a magnificent symbol of the aspiration of the Co-operative movement—to give the best to the people. The plans were prepared by Messrs Bruce & Hay, architects, and there were some misgivings about adopting the plan because of the ornate character of the building. It was thought that something less ornamental would suffice, and it was decided to dispense with the towers. Second thoughts prevailed, however, and the delegates at the quarterly meeting decided that the plans would be adopted in their entirety, and that the Co-operative movement would own the most handsome commercial building in Scotland. The claim established then still holds good. The building is not only emblematic of the aesthetic taste of the movement, but it is an evidence of the comprehensive powers of the movement. A cynical trader, ignorant of the ways of Co-operation, once asked the writer: "Is that building in Morrison Street paid off yet?" It is only three years since then, and the answer given was: "Yes! It is not only paid off, but it is nearly wiped off the books." In the Jubilee year the balance-sheet reckoned the nominal value of the building as £24,000, although the total expended upon the building—including alterations, but exclusive of the site—is about £156,000 up to date. The building is an evidence of the power of Co-operation also, because it was erected by tradesmen employed by the Society itself, under the superintendence of the late Mr James Davidson, who did all the work except the sculpture, the glazing, the iron work, and the marble and mosaic work.

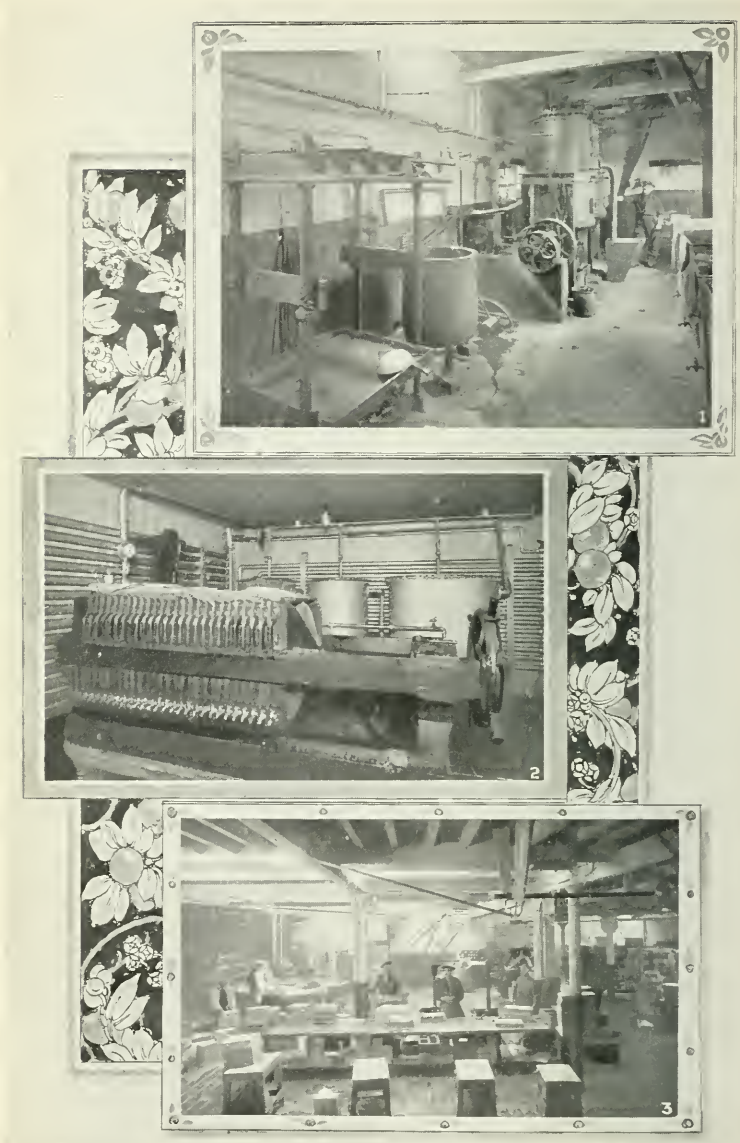
The building occupies nearly an acre of ground, and if we give a detailed description of it here it is because many Co-operators do not quite follow its lines and cannot interpret its symbolism. The building has three sides to public streets —Clarence Street, Crookston Street, and Morrison Street in which the principal front of 215 feet overlooks the Kingston Dock.* The design is after the French Classical Renaissance of the time of Louis XIV. The building occupies five storeys and a basement, and is built of stone from the quarries at Giffnock in the neighbourhood of the residence of the president of the Society.

* See pages 303 and 367.



OPERATIONS AT THE ABERDEEN STATION

(1) Fresh Fish Department. (2) Fish Curing Department.
(3) Finnan Kiln.



OPERATIONS AT THE ABERDEEN STATION

(1) Cod Liver Oil Rendering Plant. (2) Cod Liver Oil Refining Room.
(3) Packing and Despatch Department.

The façades of the building are rich without excess, with an appearance of symmetry without stiffness, and the details are all harmonious.

At the main entrance, in Morrison Street, there is a double set of grey polished granite columns with Ionic capitals and bases, and a dado with carved panels, with Cupids face to face gracefully holding the hand of Unity. The pediment is finished by a beautiful carved shield and a wreath of Plenty springing from the valutes of the cope. The main pediment at the base of the tower is filled with emblematic sculpture in alto-relievo. In the centre are two figures representing Justice and Labour ; and, to the right and left, figures representing Africa, Asia, Europe, and America, surrounded by their national emblems all beautifully carved. On the apex of the pediment stands the " tower-crowned Cybele "—whom the ancients regarded as the goddess of the earth—with lions on her right and left, symbolising Strength and a power that fears no difficulties. Behind the figure rises the tower, 70 feet high, divided into bays by Ionic columns, between which are niches and pedimented windows, and over it a modillioned cornice and a dado, interspersed with balusters, copes, vases, and eyelet windows, and surmounted by a graceful figure representing Light and Liberty, holding in her hand a torch, the guiding Star of the West. It was with some comprehension of the beauty that was in danger that Co-operators flocked to the neighbourhood when the great fire involved their magnificent building on 3rd September 1911. Till the early hours of the following morning the writer stood with a group of reporters, all of whom were reluctant to leave till the figure would fall—the emblematic figure of Light and Liberty. It swerved slightly in the torturing heat ; its supports were softened and bent ; it was thrown forward ; but the symbol of Light and Liberty held on grimly to the lofty pedestal upon which working men and women had placed it. Could symbolism be more complete ?

Entrance to the building is obtained by an ornamental wrought-iron gate in the Morrison Street façade—a façade which measures 150 feet to the head of the tower. The floor of the spacious vestibule is laid with mosaic, and the walls lined and richly panelled with Sicilian marble and Parisian cement, and divided into bays by quarter pilasters and Ionic columns

supporting a modillioned and enriched frieze and cornice. Beyond the vestibule is a large entrance hall and staircase, and right and left from it corridors lead to the boardroom, library, committee rooms, buyers' rooms, and grocery saleroom. On the entresol facing the vestibule is a bronzed bust of Robert Owen.

The boardroom is elegantly furnished throughout. The floor is done with parquetry, in walnut, oak, plane-tree, and pine; and the walls are divided into bays with mahogany fluted and carved pilasters, having Corinthian capitals and bases, and resting on a mahogany panelled and moulded dado supporting an enriched frieze and cornice. The ceiling is beautifully decorated with Louis XIV. ornaments, with specially prepared casts having centres for electric light. A special feature is the Caen stone mantelpiece, 12 feet high, carved with natural foliage and supported with Sicilian marble and alabaster columns, capitals, and bases. The library is a beautifully appointed room, only equipped and furnished for this purpose a few years ago. The furniture is some that earned the Society's own cabinet factory high commendation at one of the Glasgow Exhibitions. The saleroom, which is crowded with eager buyers—on Tuesdays and Fridays especially—is one of the most handsomely equipped salerooms in Great Britain. The showcases of mahogany, with mirror backs and unique electric-lighting arrangements, are magnificent specimens of the skill of the employees at the cabinet factory; while the exhibits they contain demonstrate that the S.C.W.S. productive works have nothing to learn in the artistic make up of goods. The committee rooms and the buyers' rooms are all well but modestly furnished.

The first floor is given over to the accountant, the cashier, and the auditors, and an army of clerks, with well-lighted and well-ventilated office accommodation, private rooms, and strong-rooms and safes. On this floor is situated the telephone exchange, which employs an expert staff whose chief duty is to connect callers with the officials or departments they want. It is probably one of the largest private telephone exchanges in the busy city. This floor constitutes the heart of the great business concerns of the Co-operative movement in Scotland. All the intromissions involved in the Society's trade of 19¼ millions—

from the purchase of a new stool for the office on the Gold Coast to the investment of a quarter of a million—are known and registered here by the head office clerical staff to whom the information is conveyed by the departmental clerks whether in Glasgow or West Africa or Canada. That staff comprised in the Jubilee year—and before demobilisation—214 female clerks and 131 male clerks, in the appointment of all of whom the great chief, Mr Macintosh, has been consulted. The " head office " has been aptly described as " the great nerve centre " of the Wholesale. Some derisive things have been said of " the woman in the counting-house " ; but the record of the clerks employed in what is known as the " ladies' office " at Morrison Street evokes nothing but commendation for attendance, punctuality, and efficiency, and that somewhat rarer virtue—civility. At the central premises probably about 1,500 letters per day arrive by post. The letters are handled by a special corps of clerks, who sort and open the packets and stamp the contents, each delivery being stamped with the date and distinguishing letter so that in any subsequent complaint the office can tell not only the date of receipt, but the particular delivery which brought the communication. There is no office in which better order is maintained in the routine duties of the staff, or in which records are kept longer or with greater exactness or accuracy.

The upper floors of the building are devoted chiefly to business conducted as part of the furniture department, and other parts of the building are devoted to the grocery business. These are dealt with in their respective places in this descriptive portion of the volume.

In all parts of the building there are the most improved facilities for the delivery and dispatch of goods. There are fire-proof stairs at the extreme points of the premises and one passenger lift. In the basement there are engines and accumulators and dynamos in connection with the passenger and goods elevators and plant for the lighting and heating of the building. For insurance purposes the building has been divided into two sections by a strong party wall, and has communication on each floor by double iron doors ; and the entire premises have been equipped with the latest form of sprinkler fire extinguishers. There are remarkable strong

rooms and safes for the protection of valuables, books, and papers, and the internal fittings are all of the most ornate character as befits a building so imposing.

THE GROCERY DEPARTMENTS.

THE Wholesale's grocery and provision trade is distributed over the Glasgow, Leith, and Dundee departments in the financial reports. Formerly Kilmarnock was also shown separately, but recently the sales from the Kilmarnock depot are passed through the Glasgow warehouse accounts. The Glasgow, Leith, and Dundee centres have their own "spheres of influence," and trade done by S.C.W.S. departments with societies in any part of Scotland is shown in the accounts for the centre to which that society's area is allocated. The grocery department is further sub-divided for convenience and efficiency and for the closer scrutiny of the Wholesale's operations. What is generally described as the "Glasgow Grocery" comprises about seventy departments, or sub-departments. Each of these is under its own head. That head, in most cases, is responsible to a higher official; and, apart from specialised departments, the majority of the distributive departments of the Glasgow grocery are classified in four groups, with regard to each of which comprehensive reports are submitted to the directors by an official chiefly responsible directly to the board. Similar sub-divisions are found at Leith, but the departments are not so numerous and all are arranged in three groups. No. 1, for example, comprises butter, cheese, sugar, syrup and treacle, tea, coffee, cocoa and chocolate, etc. No. 2 deals with dried fruit, tinned fruit, green fruit, fish, soap, aerated waters, preserves and confections, etc. No. 3 takes hams and bacon, lard, fats, oils, tinned meat and tinned fish, cereals, feeding-stuffs, margarine, etc. At Dundee and Kilmarnock, while there are departmental divisions, they are fewer in number.

The extent of the grocery and provision trade may be stated in figures, but we fear the figures convey very little to the man-in-the-street. If we were to tell him that the S.C.W.S., in six months alone, sold 25,081½ tons of sugar, that its sales of tea in a like period amounted to 1,747¾ tons, that its butter

sales accounted for 81,574 firkins and 4,264 tons, that the margarine sold weighed 2,355¾ tons, and the flour sold amounted to half a million bags of 280 lbs. each, we fear he could not fully comprehend the immense quantities disposed of; yet each of these totals is included in a half-year's trade. In a booklet published for distribution at the Glasgow Exhibition in 1911 there were some illustrations that were helpful. One of these showed that the butter sold in 1910 would fill a cask wider than the roadway of the Jamaica Bridge, Glasgow, and over 100 feet high. It showed that the tea sold in 1910 would fill a case as wide as Morrison Street, almost the entire length of the S.C.W.S. central premises, and fifty feet high. The tea sold in 1918 was fifty per cent. more than that. In 1918 the total sales in the goods under the control of the grocery committee of the directorate amounted to £13,977,452, 7s. 9d., to be exact. These figures comprise all the grocery departments. Up till the end of June that year—to the end of the quarter which preceded the completion of the fiftieth year—the total net sales through each of the grocery branches were Glasgow, £113,059,071, os. 2d.; Leith, £41,542,246, 19s. 8d.; Kilmarnock, £3,790,236, 8s. 11d.; Dundee, £5,178,953, 14s. 6d.—a grand total of £157,580,508, 3s. 3d. This, in groceries and provisions, represents a wonderful turnover for a business originated and directed by people of the most slender financial resources.

The chief grocery centre is at 95 Morrison Street. A considerable part of the central block, bounded by Morrison Street, Crookston Street, and Clarence Street, and extending almost to Wallace Street, is given over to the grocery business. Probably before this volume gets to the hands of the reader the grocery centre will be transferred to the palatial building nearing completion, which fronts to Morrison Street at the corner of Clarence Street. The whole property in that block between Morrison Street, Clarence Street, Wallace Street, and Dundas Street is S.C.W.S. property. The portion between Wallace Street and the lane which runs between (and parallel to) Wallace Street and Morrison Street is already utilised for storage and dispatch; the corner portion at Morrison Street and Dundas Street, where the insurance department has its temporary office, cannot be converted for the present owing to lease rights of the principal tenants; but the other portion

will be utilised for the grocery department, and will thus make a splendid centre. Besides these blocks, some of the Glasgow grocery departments—eggs and green fruit—find accommodation in the buildings behind the stationery warehouse at the corner of Dundas Street and Paisley Road; some other departments are housed in the gusset buildings between Morrison Street and Paisley Road; and the potato department occupies temporary premises in the old buildings at the corner of Dundas Street and Morrison Street, which will eventually be demolished to complete the drapery warehouse.

In the central premises (on the right), in the corridors stretching from the entrance hall, are the private rooms of Mr W. F. Stewart, the commercial manager of the flour and meal mills, and Mr Duncan, the cattle and meat buyer; while on the left are the private rooms of the heads of the other chief grocery departments. There sit the men whose chief function it is to keep the Co-operators of the West and South and Midlands of Scotland provided with food. Mr Ebenezer Ross is the veteran of the grocery department, and when it is mentioned that he is responsible for tea, coffee, cocoa, chocolate,* butter, and sugar, the reader will surmise that he has had troubles in plenty during the war period. The S.C.W.S. enjoyed an excellent reputation for its butter supplies till the war upset everybody's arrangements; but if the Co-operators complained during the war about their butter rations, all they had to say was that they were not supplied so plentifully or so cheaply as before the war—in which respect they were no worse off than anybody and better off than most. In 1891 Mr Ross was sent to Denmark and to Finland in search of sources of supply. The result of that was the establishment of the Aarhus branch which, acting jointly for the English and Scottish Wholesale Societies, has given the two federations plentiful supplies of butter noted for its undoubted excellence. There were no S.C.W.S. creameries then, but seven years later Enniskillen† began to supply its own excellent products, which are not second even to the best Danish. In 1900 Mr Ross gave evidence before the Select Committee of the House of Commons on the subject of Butter Supply.

* See page 425.

† See Creameries and Milk Centres, page 352.

The Wholesale bought all its sugar from brokers till March 1878. Then it began to buy direct from Greenock refiners. The question of acquiring a sugar refinery has been considered from time to time as a purely Scottish venture, and consideration has also been given to the prospect of establishing a sugar refining business in conjunction with the English Wholesale Society, and in one form or another a plan will probably be carried out before very long.

Associated with Mr Ross in Glasgow as responsible heads of the chief groups of grocery departments are Mr Malcolm M'Callum, Mr John M'Donald, and Mr A. S. Huggan. It is not possible to follow the various commodities dealt with in detail, but a reference may be made to some of them which are not dealt with under special headings in subsequent pages.

Eggs, which, it is said, were invented for the benefit of husbands who have to cook for themselves when their wives are on holiday, constitute a large part of the S.C.W.S. trade. One of the chief sources of supply is Enniskillen. From the Enniskillen centre employees of the S.C.W.S. attend the fairs and markets for miles round, and have established their own extensive system of Irish egg collection. On a recent visit to Enniskillen we passed through two great halls with obscured windows and air-tight doors, and with a decidedly cold atmosphere, where between two million and three million eggs lay in pickle. These were collected about March when eggs were plentiful, and preserved for the winter when the poultry are not so industrious. Thanks to the efficacy of the pickling system, the eggs are as healthy when they reach the table as when they are deposited in the pickle tanks, each of which holds about 80,000 eggs. Before being sent out for use each egg is tested, and those sent out from Enniskillen have a high reputation for quality. Loads of fresh eggs are, of course, sent off to Scotland without being pickled, and in one year Enniskillen has handled as many as 34½ million eggs. Ireland, however, does not exhaust the Wholesale's sources of supply. Denmark, Canada and the United States, and Russia were large suppliers formerly. The war cut off the Russian supplies and brought Egyptian eggs into the homes of the Co-operators, and liquid eggs also made a useful departure which helped to tide people over a trying time. When the state of Europe

permitted, the Wholesale's buyers made periodical visits to the countries most likely to meet the growing demand of the Co-operative societies for eggs. Egg testing is also a fairly big undertaking in the Wholesale's business, and thousands of cases—chiefly of foreign origin—are scrupulously tested.

Dried fruit, green fruit, and tinned fruit sold by the Wholesale run into hundreds of thousands of pounds per annum. Buyers and directors have regularly journeyed to the Orient in order to secure the best dried fruits for the use of Co-operators, both in their own homes and in their bakeries, and their direct purchases and direct shipments of currants, sultanas, muscatels, and other dried fruits (ventures in which the English and Scottish Wholesales combined) ensured excellent qualities at the most advantageous prices. For many years the dried fruit shows and sales at Glasgow and Leith were interesting events eagerly looked forward to by the managers, salesmen, and directors of Co-operative societies. Peace in the Balkans may perhaps lead to the revival of these gatherings. Canned fruits have also been imported direct in large quantities as the result of explorations made by the Wholesale buyers. The green fruit trade is also extensive. Soft fruits are grown to some extent on the Society's own estate at Calderwood,* but the quantities required are so enormous that Calderwood is not large enough to grow them. Large quantities are bought direct from the growers, and during the season the huge motor lorries of the S.C.W.S. are seen at daybreak carrying the crops from the Clydeside gardens to the Co-operative stores in Lanarkshire, Glasgow, Renfrewshire, and Dumbartonshire. Rhubarb, oranges, apples, bananas, grapes, tomatoes, and onions are gathered from almost all parts of the earth, where they are grown, by direct import and, as in the case of the dried fruits, by the enterprise of buyers sent direct to the chief sources of these articles; for the S.C.W.S. has not only to supply Co-operators with these fruits, it has its own extensive preserve works to keep supplied with raw materials.

The grocery departments reflect many changes that have been effected in the people's food standards during the war. In margarine,† for instance, the sales prior to the war represented

*See pages 181, 422. †S.C.W.S. products have increased 10%, see page 356.

an output of 1,054 tons; but before the Armistice the sales had gone up to nearly four times that amount. In canned meats and canned fish, also, the pre-war sales might be stated as 31,580 cases, while for 1918 they reached something like 65,000 cases.

The potato department is one which shows wonderful organisation. The organisation of this department was planned and effected during many years of labour by Mr John Macintyre who, for the greater part of his life, was one of the stalwarts of Co-operation in the Vale of Leven. The Wholesale, like other big potato merchants, had to derive its supplies partly from abroad, the Canary Isles and the Channel Isles being very largely tapped for early potatoes. In addition to this, Mr Macintyre inaugurated the practice of buying fields of potatoes in all parts of the country before the popular tubers were ripe. The harvesting was done by a large number of Irish field workers accustomed to come to Scotland for the season. The Wholesale did not depend upon chance; and Mr Macintyre picked his workers in Ireland—chiefly from the Donegal district—and these were sent for when the first S.C.W.S. fields were ready for lifting. In this way only reliable workers were engaged, and, thanks to the care devoted to the provision of housing accommodation, the Wholesale's potato harvesting operations were carried through with an absence of the scandals attendant upon such operations where the field workers employed were casuals picked up on the roadside and kept together in primitive promiscuity. The Wholesale had the same workers coming year after year; they began their labours where the earliest crops were ready—usually about the southern Ayrshire coast, where the climate, mellowed by the Gulf Stream, usually produced the earliest British potatoes. On Mr Macintyre's death, Mr Hugh Campbell, who had been the Society's potato salesman at Leith, was appointed manager of the department, and further developments were noted. One of the most important innovations of recent years has been the leasing of land for the planting of potatoes. In 1914 the Society planted 3,157 acres; and potatoes are grown for the Society on the Springside Estate, purchased in 1917. The sale of potatoes is conducted through the various S.C.W.S. grocery centres; and in 1918 the amount sold was 50,225 tons. The department was warmly complimented by

buyers for retail societies upon the splendid supplies it was able to secure during the most trying years in the war period.

We may include the cattle and meat trade under the heading of the grocery departments of the Society, for these are supervised by the grocery committee of the board. Due tribute has been paid to the services rendered by this department to the Co-operators of Scotland during the most critical periods of the Butchers' Boycott.* To have conducted this trade for the Wholesale Society in the face of the virulent and unscrupulous opposition to which the Wholesale had been subjected during all the years since 1896 is evidence of admirable organisation and of the credit of the S.C.W.S. The department began in 1888, and the present buyer, Mr William Duncan, has been at its head from the beginning. At first, the S.C.W.S. simply bought cattle for the societies on a commission basis; but there were suggestions from various quarters in favour of the stocking of cattle. Mr Maxwell, who was chairman of the directorate at the time, warned the societies that to adopt this suggestion would mean that the Wholesale would probably have to stock 10,000 head. That was not thought desirable. In 1892, however, the Wholesale leased a grazing farm in Stirlingshire, Carbrook Mains, where cattle bought by the Society were fed until required. The lease expired in 1901, and there were reasons for not renewing it—reasons which deprived the experiment of success. In 1901, another farm was leased at Carntyne, near Glasgow, for the same purpose. In 1903, an expert buyer was appointed in Ireland to secure supplies of Irish cattle "to be bought at first hand and forwarded to the retail societies without the intervention of a single intermediary," to quote Mr Maxwell. The embargo placed upon the importation of Canadian cattle was vigorously fought against by the S.C.W.S. and the whole of the societies in the Co-operative Union;† but the agitation was fruitless.

The war had a serious effect upon the cattle and meat trade. Meat to the value of 33 millions was imported into the country in 1914; and it is easy to understand how that trade would be affected by the submarine danger; and the governments of the Allied nations had the first call upon meat supplies for the enormous armies mobilised during the period of the war.

* See page 156. † See page 157.

The S.C.W.S. department had sales amounting to £273,334 in December—a figure which would be enormously greater but for the fact that societies in country districts bought cattle and beef very largely as local produce. The war brought the price of beef up to a level it had not reached in this country since the Franco-Prussian war; that reduced the demand considerably, and the demand was still more seriously affected by the strict Rationing Orders enforced by the Government during a large part of the war period; but the sales of the S.C.W.S. during 1918 amounted to £554,739, and even that was a decrease (through rationing) of £63,994 from the previous year's trade.

Poultry are collected at Enniskillen and dealt with by the grocery departments; but it is impossible to go into details of all the ramifications of these departments. Evidence of the importance of the grocery departments is afforded on the buying days—chiefly Tuesday and Friday in Glasgow, and Tuesday at the other centres. On these days the beautifully appointed salerooms at these warehouses attract the grocery buyers of the Co-operative societies of Scotland who enter the portals of the S.C.W.S. premises, knowing that those premises are the property of their societies, and that the business conducted there is conducted for the benefit of, and at the behest of, the working people who constitute the mass of the membership of the Co-operative distributive society in city and village alike.

The grocery dispatch department at Glasgow is separately organised, and had a staff of 135 employees before some of them were mobilised for military service. The department deals, among other things, with shipments arriving for the Wholesale, and the extent of the operations carried on may be conceived when it is mentioned that in 1918 the department handled 57,767 loads of goods, comprising 2,394,476 packages, equal to 106,461 tons; and even this was an average weekly decrease of 349 packages.

LEITH GROCERY BRANCH.

While the headquarters and central premises of the Wholesale Society are at Morrison Street, Glasgow, for many commodities the Leith branch of the Wholesale is to all intents and purposes the marketing centre for societies in the East of Scotland. The buyers from societies in the East go there to sample goods, to

make inquiries, and to do what the buyers from the West of Scotland do at Glasgow.

How the branch came to be established has been told in the Historical Section ;* but since then, 1877, developments and extensions have taken place which make the Wholesale premises one of the most attractive buildings in Leith, not only because of the comeliness of the building, but also on account of its excellent site. The Links of Leith in front, with its broad expanse of well-tended spaces, sets off the imposing pile of Co-operative buildings which stand on the eastern fringe of the people's playground. The architecture follows the stately lines so characteristic of Wholesale buildings, and the massive, artistic front attracts attention. The dilapidations of the adjoining ground no doubt detract a little from the general appearance, but the S.C.W.S. will soon remove that when building restrictions make it possible for the directors to set impending extensions in process. Plans already devised will mean an outlay of about £80,000 upon the proposed extension.

The front portion of the building, or the original part, consists of five flats and a large basement store ; while the newer building in the rear has an extra storey and a large attic, which has been the scene of fruit shows, baking competitions, and other seasonable displays. The various departments, although congested as a result of the extraordinary developments of the trade, are very extensive.

The main entrance leads into a vestibule, off which are several private offices, including the sanctum of Mr Robertson, the manager. At the side is the saleroom where buyers assemble ; and the main stairway leads to the commodious and well-appointed general offices and boardroom. Immediately above are the dining and smoke rooms and the kitchen ; and still higher is the stationery department.†

The manufacture of aerated waters is carried on on the ground floor of the extensive establishment ; and ham-curing is conducted on the top floor. A number of tradesmen—engineers, electricians, and joiners—are employed here ; for, besides the usual structural work required from time to time, the society generates electricity in the premises. Otherwise there are no productive works at this branch.

* See pages 103 *et seq.* † See page 333.

The main distributive departments are confined to the rear buildings. There are green fruit and egg departments on the ground floor; cheese and general grocery and sundry stores on the first floor; tinned meats, fruits, and dried fruits on the second floor; and the remaining floors are used chiefly for the storage of cereals and sugar. There is also machinery for grinding sugar and for cleaning the dried fruits. All the departments are linked up by numerous stairways and elevators, and the latest equipment for dealing with outbreaks of fire is installed. At the Society's jubilee, 174 persons were employed at the branch; and, of these, 38 were girls.

To Mr W. F. Stewart belongs the honour of being the first manager of the Leith branch, besides being one of the most eager advocates of its establishment. He held his post there from 1877, when the trade of the branch was only £30,984, till he was transferred to Chancelot mill on its opening in 1894. In 1894 the sales from the branch were £706,466. Mr Peter Robertson, the present manager, succeeded Mr Stewart, but he had been in the service of the society since 1887. It was Mr Robertson's lot to see large extensions, and he may be spared to see the now contemplated extensions carried out. In 1913 the sales from Leith had reached £1,656,767; but for the society's fiftieth year the Leith trade amounted to £2,801,378.

KILMARNOCK GROCERY BRANCH.

A CHAPTER in the Historical Section records the inauguration of the Kilmarnock Branch of the Wholesale.* The departure was made in order to provide a depot for the collection of the agricultural produce of Ayrshire; but its sphere of operations was extended, it sought its supplies in adjoining counties, and began to sell direct to societies in the district whose buyers found it more convenient to go to Kilmarnock than to go to Glasgow. That has changed somewhat, and a number of buyers from Ayrshire and the South-West now travel more regularly to the Glasgow central warehouse; and the sales made through the Kilmarnock branch are credited to the various Glasgow departments.

* See page 105 *et seq.*

The Kilmarnock premises are situated in Grange Place, Woodstock Street, and Fullarton Street; and represent an expenditure of about £22,000. Cheese, butter, eggs, bacon, and oatmeal are the chief articles in which the branch deals. Potatoes used to be an important branch of the Kilmarnock business; but the potato department is separately organised now.* Bacon curing is carried on also. The sales from the Kilmarnock branch were separately recorded for the first time in 1882, when for six months they amounted to £15,443. In the intervening years since then they have fluctuated slightly; but the trend has always been vigorously upwards, despite an occasional decrease in comparison with a preceding year. For 1914 the total recorded amounted to £145,803; and for the last twelve months (till June 1918), for which the sales were separately credited, they amounted to £274,819. These figures represent only the sales direct to retail societies; but, in addition to these sales, the branch transferred goods to the Glasgow, Leith, and Dundee branches amounting in these respective years to £167,788 and £333,615. The total sales to societies, from the keeping of a separate Kilmarnock account till the end of June in the jubilee year, amounted to £3,790,236; the expenses incurred amounted only to 4·57d. per £ of sales, and the net profit, averaged over all these years, was equal to 7·42d. per £. As indicating the nature of the operations carried on between Kilmarnock and the Wholesale's other departments, it may be mentioned that one year's handling of agricultural produce included 66,844 cheese, 13,683 pigs, 2,302 sacks of oatmeal, 1,649 cwt. of fresh butter, and 235,037 dozens of country eggs.

DUNDEE GROCERY BRANCH.

The Co-operators of the North of Scotland were seriously handicapped in comparison with Co-operators elsewhere because they were so remote from the S.C.W.S. centres. Some of the oldest societies in the country were in the North of Scotland; but they were not members of the Wholesale because, with wholesale warehouses nearer at hand, they did not see what particular advantage was to be gained from a Wholesale warehouse in Glasgow or Edinburgh, and so Co-operative societies

* See page 313.

there dealt with private merchants because it was thought to be more convenient. It was because they recognised that there was a good field to be cultivated for Co-operation that the S.C.W.S. directors decided to plant a branch in Dundee.* This branch, unlike the establishments at Leith and Kilmarnock, was not forced upon the directors by the Co-operators of the district; it was simply the outcome of the desire of the directors to bring the Co-operators of the North inside the Wholesale fold, and the branch was, therefore, something like a mission station.

Premises were leased in Trade Lane, and the business was commenced in 1882. The warehouse was in close proximity to a whisky store, and the Wholesale paid the penalty of its evil association, for in 1906 a fire, rendered particularly disastrous by the inflammable nature of the "hot stuff," destroyed the building completely. Temporary premises were secured in which the business was carried on, but a site was purchased, and on this was erected the present substantial and modern warehouse.

The new building was formally opened on 3rd July 1909 at a well-attended gathering, at which Bailie Isaac M'Donald presided. The opening ceremony was performed by Bailie Henry Murphy, and stirring addresses were delivered by these gentlemen, as well as by Mr Robert Stewart, Mr John Clark, of Perth, and Mr John Barrowman, the manager and pilot of the Wholesale enterprise in Dundee.

The warehouse is built on a site which covers 810 square yards, with frontages to Sugarhouse Wynd, Seagate, and Queen Street. The chief frontage is towards Seagate, along which it extends about 100 feet, and this is designed in a simple form of the Renaissance style of architecture. The centre portion, which has rustic work to the height of the first floor, is finished at the top with a stone pediment and panel. The building is in two portions. The back portion, a one-storeyed building, is utilised for receiving and dispatching goods, and vehicles have access from both Sugarhouse Wynd and Queen Street to the spacious loading docks. The front portion has four storeys and a basement, and at each end of this portion are electric hoists and a stone staircase communicating with the various

* See page 111.

floors. The total floorage is about 18,000 square feet. The front entrance is in Seagate, where an arched doorway and tiled vestibule give access to the warehouse and to the offices which are situated on the street floor. The erection of the building was under the direct supervision of the Society's own master of works, the late Mr James Davidson.

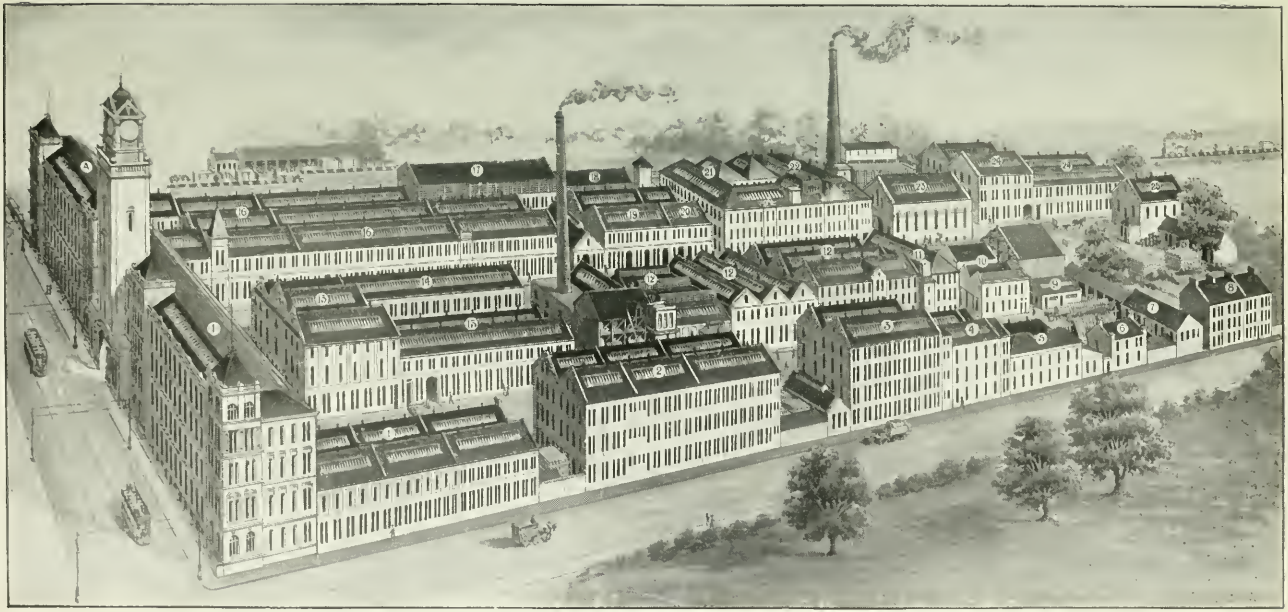
Mr Barrowman* did heroic work here till his retirement, when he was succeeded by Mr James Wilkie, his assistant. The first year's operations at Dundee amounted to £13,508; but they gradually increased in value till in 1914 they reached the total of £228,171, which amount was increased to £377,541 in the jubilee year. Up till June of that year the total net sales of the branch, from its inception, amounted to £5,178,953, achieved at an average of 2·7d. per £ for working expenses, and yielding net profits of 7·23d. per £. The branch has still a weary row to hoe; but it has done even better than was expected by many; it has increased the membership of the Wholesale among Northern societies, and helped to increase the membership of these societies in turn by helping to make the wages of the worker go a little further.

THE DRAPERY WAREHOUSE.

THE drapery warehouse in Glasgow, whether it be viewed from the south or from the north, is a splendid structure of which Co-operators are wonderfully proud. They are more proud of what the warehouse represents, for it stands as the centre of a grand alliance of three spinning and weaving mills, twelve factories, and a combination of nearly sixty departments all engaged in occupations connected with the production and distribution of drapery and kindred goods, and recording total sales amounting to £3,231,236 for the year 1918. The warehouse, bounded by Morrison Street, Dundas Street, Wallace Street, and Paterson Street, has about six and a half acres of floor space. At present the corner building at Morrison Street and Dundas Street is not part of the warehouse, although it is Wholesale property; but, as is hinted in the notes on "Morrison Street," it soon will be. The present warehouse represents a co-ordination of a group of warehouses which were

* See pages 109, 111, 112.

A HIVE OF INDUSTRY



SHIELDHALL WORKS—EAST FRONT (a) STILL TO BE COMPLETED

1. Printing Department.
2. Cabinet Factory.
3. Hosiery Factory.
4. Coffee Essence.
5. Brush Factory.
6. Firemaster's House.
7. Joiner's Workshop.
8. Workmen's Dwellings.
9. Cooperage.
10. Mechanical, Elect'l.
11. Tinware.
12. Preserve Works.
13. Tailoring Factory
14. Artisan Clothing.
15. Dining Rooms, etc.
16. Boot Factory.
17. Currying Works
18. Tannery.
19. Confectionery Works.
20. Pickle Works.
21-22. Chemical Dept.
23. Power Station.
24. Tobacco Factory.
25. Stables.

(1) Ettrick Mills, Selkirk. (2) Taybank Jute Works, Dundee.
(3) Ayrshire Blanket Mills, Galston.

built at different times as the progressing departments required elbow-room ; but there is still a unity as well as a variegation in the architectural lines followed.

When the first part of the building was erected in 1887, at the corner of Dundas Street and Wallace Street—a relic of which period is seen in the now un-utilised door at that corner —the drapery warehouse comprised also the boot and shoe, furniture, and stationery showrooms. A few years later the warehouse was extended to Paterson Street, this extension providing the imposing façade in Wallace Street; and an entrance at the corner of Paterson Street harmonised with that at the corner of Dundas Street. In 1909 a considerable addition was made by the erection of a wing in Paterson Street. There was, however, one serious handicap. Internal communication was not possible, for these various additions practically constituted separate warehouses. It was decided to alter the internal arrangements, and in 1910 this alteration was completed, creating a new main entrance in Wallace Street (where the old goods outlet was) and providing a new main staircase which gave access to all the departments of the warehouse. In September 1914 there was a further addition to the warehouse by the extension of the Paterson Street wing, and in 1918 the last addition made converted the drapery warehouse into a Morrison Street property.

The Wallace Street façade—which some still think the more ornate aspect of the warehouse—has a frontage of 214 feet. The building in Dundas Street has an extent of 152 feet ; in Paterson Street it extends to 210 feet ; and while there will be a frontage of 214 feet to Morrison Street when the block is completed, at the end of the jubilee year it only extended to about 180 feet. In Wallace Street—the old front—the façade is chiefly characterised by the handsome doorway, surmounted by a richly sculptured pediment, leading to a noble vestibule and entrance hall lined with mahogany and marble. The central feature is the graceful tower, which rises to a height of 130 feet ; at each end of this elevation is a circular turret which completes the symmetry of the façade. The turrets complete corners of the structure, which rise to graceful pediments resting each upon four sets of twin columns with sculptured capitals, which in turn are based upon ornamental pilasters. The

Morrison Street elevation varies in style, but its stately proportions will not be so clearly recognised till the whole of the elevation is completed to Dundas Street. There is a splendid arched doorway ; the centre of this elevation is also dominated by a tower ; and the building impresses passers-by. The front entrance here gives access to a spacious hall, from which open the private rooms of the manager and his assistants. Sale and show rooms, stock rooms, special fitting departments, receiving and dispatch departments, a retail societies' customers' department, office, and a tearoom are included in the warehouse.

Under the ægis of the drapery department there is run a waste department. It came into being about 1900, and its operations are specially interesting. Most people have an impression of what a tailoring department floor is like at the end of each day's work. Rags, scraps of canvas, bits of linen and cotton, cuttings of tweed and serge, seem to litter the floors. Shirt and dressmaking workrooms are little better. Drapery departments—where hundreds, or perhaps thousands, of parcels are being dispatched or received in a day—present a mass of broken twine and rope and sheaves of waste wrapping paper. Then there is the litter of waste paper from the other warehouses and offices. The collection of all this mass of rubbish is admirably organised by the waste department, which converts it into the medium which goes to help up the Wholesale dividend.

There is no saying where the rubbish may get to—we know what it is, but we know not what it may be, or to what sacred or profane uses it may be put ; but there seems to be a market for everything. Yorkshiremen get some of it to Dewsbury and Batley. They say the finest rags they get are cuttings from Ettrick mill serges. The women who work at the rags here could distinguish the Ettrick mill cloth from other makes —by the fine feel of the Co-operative production. Paper and cotton rags go to the paper-makers ; and everything has an immediate destination known to the waste department. The department, which puts tons of "rubbish" through its processes, had sales to the amount of £2,900 in 1908. That was considered good then, but in 1918 the turnover reached £8,700.*

* The mantle factory is housed in this building. For description, see "The Clothing Factories," page 379. See also "Shirts, Hosiery, and Underclothing," page 382 ; and "Other Glasgow Centres," page 340.

When the drapery department began in 1873 there were three employees, of whom the only survivor is Mr David Gardiner, J.P., the general manager, who, however, was shortly afterwards joined by Mr George Davidson, who was still in the service at the time of the jubilee celebrations. At the end of 1918 there were 425 employees in the department, and 204 on military or naval service.

The trade of the drapery department comprises only drapery and kindred trades, and its operations, therefore, must be considered in that light in view of the fact that so many wholesale drapery establishments include boots and shoes, jewellery, furniture, and furnishings. The opening of the various additions to the warehouse always gave rise to special celebrations, and the annual spring, autumn, and special shows of millinery, mantles, and other goods which vary with the seasons always attract large attendances of buyers and directors from societies, who meet at dinner and exchange views about the business and its management. We have had the good fortune to attend about thirty of such assemblies, and there has never once been any comment offered that was not to the credit of Mr Gardiner and his assistants.

In connection with the department there is a London office and depot, where the latest London and Continental goods are shown periodically, where inquiries are conducted as to the development of the trade, and where the interests of Scottish societies are looked after. Thousands of transactions are carried through there on behalf of the department. When the war broke out the sales of the drapery department amounted to £1,387,027, and the jubilee year brought a grand total of £3,231,236, which represented 16·8 per cent. of the total sales made by the S.C.W.S. The manager of the department, on the many occasions when he is congratulated on the magnificent figures he records, always pays tribute to the assistant managers, Messrs James M'Gilchrist and William Allan, both old servants of the Society, and to the buyers for retail societies. He never tires of commending the hearty Co-operation given by the departmental heads and by the staff as a whole. Lest, however, the retail societies might flatter themselves on doing too well, he usually reduces the trade to what it represents per member of the societies with which his trade is done. Worked down in

detail like that for 1918, it represented £5 per member, or slightly less than 2/ per week for clothes, hosiery, napery, millinery, bed clothes, collars, gloves, and the hundred and one articles which the average member requires for the family and household over which he or she presides.

FURNITURE WAREHOUSE AND SHOWROOMS.

The representatives of the co-operative societies in Scotland have no reason to complain of the excellent opportunities they have of inspecting all classes of furniture and furnishings at the S.C.W.S. warehouse and showrooms. It has already been mentioned that the furniture trade of the Wholesale was formerly done as part of the business of the drapery department, as is still the custom in many large drapery warehouses. Even after the accounts of the two departments were separated and they were placed under separate management, they were still housed in the same building. When the central premises were opened in 1897 the furniture department was given accommodation in the new building at "No. 95," and there the department still has its headquarters, although it has expanded from floor to floor until it now claims three floors, with attics and part of the basement of the building, for its own. In addition to that, there is a commodious furniture warehouse in Chambers Street, Edinburgh. In the last normal year—that which ended in June 1914—the trade of the furniture departments amounted to £420,678. That is done, literally, under the Wholesale's own roof, and it indicates an enormous advance from the period when the furniture department was little more than an agency which ordered from other warehouses what the retail societies required. Now the representatives of these societies may go to the S.C.W.S. warehouses and inspect the choicest furniture—of which there is a wonderful stock and variety—displayed under the best possible conditions.

The furniture department's headquarters are situated on the floors above the counting house at Morrison Street; and there Mr William Miller, the manager of the department, and Mr T. Fenwick, assistant manager, have their private rooms. On the left of the stair landing is the furniture showroom; or, perhaps, it would be more correct to say the showroom begins there, for

it extends almost round the building, so that the buyer who enters the door on the right of the landing need only go straight on and he will arrive also at the showroom. This showroom is a wilful provocation to visitors to spend money on furniture. It is laid out with superb taste ; it displays superb furniture ; and whether the buyer from a society wants to furnish a single apartment or a mansion he will find there all he wants to complete the order. Several rooms are laid out as models of drawing room, dining room, or parlour ; and the visitor is shown how the articles sold in the establishment will look when they are sent home if the lady of the house displays a little taste in the arrangement of the rooms. Suites, chairs, couches, divans ; sideboards, tables, pedestals, bookcases ; overmantels, mirrors, and hallstands ; writing desks, escritoires, and consulting tables are in distracting variety, and the variety repeats itself in the woods and coverings used in the multitudinous articles shown. So the tour of the showroom begins with the elaborate and the costly goods and finishes with the homelier, though scarcely less tastefully constructed, furniture of the kitchen. On this floor also will be found the French polishers, who give a final touch up to every article before it leaves the premises. On the opposite side of the landing the china and glassware showroom is situated ; and there is no more beautiful showroom in the trade to be found in Scotland. Here one can inspect what the gudewife calls her " using dishes "—the tea and dinner things for ordinary every-day use—but they are articles that people must buy. The art of salesmanship is demonstrated in the display of articles that people buy because they are made to like them. In this art the china and glassware department excels. A large salon, with walls decorated in white and gold, except those walls which are covered by magnificent mirror-backed, electrically-lighted showcases, provides an art gallery teeming with beautiful articles in crystal, china, and almost every known variety of pottery. It strikes the casual visitor as being incredible that these articles are only intended for sale to co-operators, who comprise few people outside the ranks of the working classes ; but the whole furniture warehouse provides eloquent evidence of the *bien* condition of the co-operators—whatever may be said of the conditions of other workers—and of the growing sense of the artistic in their desires. Plant pots

and bulb-bowls mounted on pedestals or tastefully arranged on tables; cut and figured flower tubes and epergnes—some mounted in silver on mirror stands—plaques, vases, and ornaments, besides glassware for table use, the most exquisite tea sets and dinner sets, and an extensive range of bedroom and trinket sets; this might be a general description of the contents of the showroom. It is an inadequate description, however. Among the vases and ornaments are beautiful designs in Royal Porcelain, Doulton, and Rozane ware; pedestal and plant pots in Bretby ware form at times a feature of the display; but the salon is rarely without a choice collection of Royal Dux ornaments. Some of the centrepieces in this last-mentioned ware, consisting of groups of cattle and aesthetic human figures, are veritable gems of pottery.

Adjoining the china showroom is the optical, photographic, and art department. The showroom displays the same tasteful appearance as the departments of the warehouse already described. Charming pictures—oil paintings, water-colours, engravings, photogravures, and high-class prints—for sale to Co-operative societies, adorn the walls. The showcases contain large varieties of picture and photo frames in wood, silver, brass, bronze, art metals, and all other known varieties. Cameras and photographic apparatus and material of all kinds; field glasses and opera glasses; spectacles and all kinds of optical instruments are on show and sale here. Two of the best-equipped sight-testing rooms in Glasgow form part of the establishment. An accomplished staff attends to members of societies sent there to be tested, and members of the staff visit societies all over Scotland for sight-testing on days fixed to suit the convenience of the co-operators of the various districts. The staff of the department undertakes photographic work for the Wholesale itself and for retail societies. Portraiture is not yet undertaken except in special circumstances; but a good deal of indoor and outdoor photography is done; and the development of plates and films and printing and enlargement from the negatives is a regular occupation of the department. Kinematograph exhibitions are provided for co-operative entertainments as also the illustration of lectures and the making of lantern slides.

The jewellery department is another interesting branch of the furniture warehouse. Every conceivable article that the well-

to-do worker chooses to buy for himself or his wife ; or that the members of a Co-operative association care to present to a deserving colleague may be selected there. The timekeepers range from the smallest wristlet watch to the stateliest "grandfather clock" that chimes the hours and quarters ; brooches, ear-rings, necklets, and pendants ; silverplate and rich specimens of the goldsmith's art ; bronze statuary and gem ornaments—almost everything known as jewellery is to be seen on inquiry at Morrison Street. It is so different from the time when the trade was started and when the stock was kept by Mr Macintosh in the office safe.* The department now occupies a large floor space above the furniture showroom. A music department specialises in musical instruments of all kinds from the Grand piano required for a Co-operative hall to the flageolet which a tolerant parent gives to his son. The department also supplies any music that Co-operative players ask for ; and it has a concert direction which provides companies for Co-operative entertainments, very often working in connection with the kinematograph section of the optical and photographic department.

All the departments of the furniture warehouse cannot be described in detail ; but they comprise carpets, beds and bedding, linoleum and floorcloth, cutlery and hardware, cycles, bags and leather goods and smokers' requisites, ironmongery, tinware, perambulators, brushes, and toys department, all working under their departmental heads, each of whom is a specialist in his own line.

EDINBURGH FURNITURE WAREHOUSE.

The Wholesale Society found it necessary, in order to meet the convenience of the societies in the East of Scotland, to open a furniture showroom in Edinburgh. The trade so developed that storage accommodation had to be secured, and eventually the showroom developed into a full-blown warehouse as attractive as any owned by the Society.

The property in Chambers Street, where the warehouse is situated, was purchased in 1897. The street has many historic associations. It is named after Dr. William Chambers, the

* See page 121.

well-known publisher, who was Lord Provost of Edinburgh when considerable city improvements were effected. His statue stands in the middle of the street opposite the Royal Scottish Museum, one of the most important in the kingdom. When Chambers Street was laid out in 1871 it traversed some old Edinburgh squares which, like Canongate itself, had shed their residential glories. On the same side as the S.C.W.S. warehouse Guthrie Street branches off. This was formerly known as the College Wynd, and in it stood the house in which Sir Walter Scott was born. On the same side is the Church of Scotland Training College, which prepares teachers for the public schools, and Heriot-Watt College, which has given excellent opportunities for evening study to Edinburgh citizens. The original property which the S.C.W.S. devoted to warehouse purposes was formerly the Free New North Church, which was erected about 1878. This was occupied by the Wholesale in 1898—although purchased in 1897. It is scarcely a base use to which to put a sacred edifice ; for if Christian ideals were preached in the building to begin with, the system of trade and the principles which govern Co-operative trade are but the application of those ideals in practice. Among the old squares demolished in 1871 was Argyle Square in which stood Minto House, the first town house of Lord Minto. Lord Minto was Sir George Elliot, who became a Judge of the Court of Session after a distinguished career at the Bar. He made a name for himself by his successful defence of William Veitch, a Covenanting minister ; and—prior to his elevation to the Bench—he was suspected of facilitating the escape of the Earl of Argyle, and had to flee to Holland. After the death of the third baronet, Minto House was the residence of Sir William Nairne of Dunsinnan, also a High Court Judge. Later, the house, like so many old Edinburgh mansions, was divided into smaller dwellings for the humbler folk ; but in 1829 Professor Syme had it fitted up as a surgical hospital. Finally it was swept away and on its place was erected the " New Medical School of Minto House," and this was the church purchased by the S.C.W.S. In 1908, owing to the very considerable extension of the trade of the warehouse, the S.C.W.S. purchased Minto House, and this and the old church constitute the warehouse as it exists to-day. That purchase practically doubled the size of the warehouse,

and the completed premises were opened with some jubilation on 14th December 1909.

The wish expressed at the opening ceremony by Mr Alexander Mallace, of Edinburgh, that "the East of Scotland should find everything necessary there without having to go to Glasgow" has very nearly been realised; and the Edinburgh warehouse has served a very useful purpose. The trade has been growing more and more comprehensive. For the first forty-six weeks it was opened (*i.e.*, till the end of 1897) the trade was £27,867; when the Minto House addition was completed it had reached £64,000; the outbreak of war found it at £94,156; and in the jubilee year it had reached £135,615. A notable feature of the trade in normal years was the number of cycles sold. Since 1906 the warehouse has been under the supervision of Mr George Carson, who entered the Society's service as a boy, and was trained in the business under Mr William Miller in the Glasgow warehouse.

STATIONERY AND ADVERTISING.

STATIONERY and advertising are separate departments of the Wholesale Society's business, and they are bracketed together here because the two departments have their headquarters in the same building between Paterson Street and Dundas Street, on the north side of Morrison Street.

The dimensions of the stationery warehouse, as indicated in the picture published in this volume, will perhaps convey some idea of the extent of the business done. Already the premises, although only occupied since 1913 by the stationery department, have proved to be too small, although part of the building formerly occupied by the Scottish Co-operative Friendly Society has been requisitioned by the stationery warehouse. An extension of the building is now in progress, which will continue the front further west towards Dundas Street, so that in the finished warehouse the front door, which appears in the picture to be near to the west end, will be in the centre of the building.

The marble and mahogany lined entrance leads to the ground floor of the warehouse through a substantial hall. A broad, well-lighted staircase communicates with the upper floors, and

there is also a hydraulic elevator communication from the basement to the top of the building, which, however, is chiefly used for goods. The ground floor is used chiefly for the paper warehouse, guillotine room, and dispatch department. The first floor is given over to the purposes of the showroom and saleroom ; and it is one of the most attractive showrooms in the trade in Glasgow. The department is so admirably organised that societies' representatives, whether their business be to give orders, to select goods, or to consult the manager (Mr David Ross), have no occasion to go to any other part of the warehouse. The manager's private room occupies part of this floor. Opening from the principal showroom is a smaller room used chiefly by the staff for preparing goods for dispatch. The showroom is handsomely furnished with artistic showcases, and all classes of stationery and printed goods are on view, from ornamental stationery cases and inkstands to scribbling blocks. An evidence of development in recent years is seen in the wonderful collection of books, from Bibles and classics to the most popular volumes of light literature. The second floor is used as the store for miscellaneous printed matter and writing papers. The third floor is the store for stocks of bags, twine, and paper ; and the attics and basement are used for storing heavy stock. A goods entrance opens from Paterson Street, and there are two loading and unloading tables against which lorries and vans may be drawn up. These tables open into the ground floor of the warehouse where the receiving and dispatching departments are situated.

The department derives a very large proportion of its supplies from the Society's own productive works, particularly from the printing department ; and the big extensions in the printing department in recent years have been largely due to the Society's growing trade in stationery of all kinds. The supplies of goods that have not yet been included in Co-operative productions are purchased from the best firms in the trade ; and the developments of late, which resulted in a big increase in the trade of the department, have been due chiefly to the fact that, owing to the incessant pressure of the manager of the stationery department and the department's ability to provide for all the requirements of the people, retail societies have devoted considerably more attention to the stationery business ; and

this has been to the advantage of the members individually and collectively.

A number of the articles selected at random from the department's invoices shows the wide range of goods dealt in. These articles comprise notepaper, ink, pencils, pens, fountain pens, stylos, ink-bottles and stands, rulers, notebooks, paper flowers, serviettes, paper dominoes, paper blinds, playing cards, toilet rolls and fixtures, diaries, dictionaries, standard poets, Bibles, dessert papers, slates, jotters, Christmas cards, wedding invitations, visiting cards, erasers, macramé twine, scraps, wedding-cake boxes, table centres, novels, toy books and picture books, calendars, files, news-cutting books, and other articles which are too numerous to mention. Of the extent to which the trade is growing it is enough to record that, while the whole stationery trade of the Society amounted to about £75,000 in 1904, when the business was all done from Glasgow, the trade of the Glasgow warehouse alone for 1914 was £91,213, despite the dislocation of supplies of paper which occurred in the latter part of that year owing to the war and the big slump in the Christmas card trade for the same reason. It was only in 1913, however, that the department had room to develop, and the improved facilities for trade provided to the department brought its recompense in a trade of £269,421 for 1918 with societies, apart from sales to the S.C.W.S. departments and factories, amounting to over £35,000 for the year.

The advertising department, as at present known, is a comparatively new creation, having been established in 1912. When the Co-operative societies were small in membership and limited in operations, and the S.C.W.S. was proportionately less in importance than it is now, advertising was unnecessary. The Co-operative productions were known to all members of the societies and were asked for, and advertising was then regarded as a needless tax on trade. The only form of advertising indulged in at that stage was the holding of exhibitions of Co-operative productions in centres where there were Co-operative societies whose members might be enlightened as to the extent of the Wholesale's operations. The Co-operative exhibition was a feature of every Co-operative Congress—till the war made it necessary to suspend them—but some of the S.C.W.S. exhibitions held from time to time were glorious attractions for several days

at a time in many a country town, while even Edinburgh and Glasgow people have found them attractive. Band performances and concerts were some of the usual side shows; while the cocoa kiosk, from which cups of Co-operative cocoa were dispensed gratuitously to visitors, was one of the most popular features of the exhibitions. The International Exhibitions held in Glasgow and Edinburgh almost invariably comprised S.C.W.S. exhibits,* and when Glasgow became a centre for a section of the British Industries Fair after the outbreak of war, there were few exhibitors who could provide so comprehensive collection of such excellent productions and manufactures.

Apart from these exhibitions, the S.C.W.S. rarely advertised except in official Co-operative publications, such as the Wholesale Societies' Annuals, the Co-operative newspapers, descriptive booklets, and in programmes for Co-operative meetings. The designing of show cards and bills for display in the stores was left largely to the printing department staff, and this also applied to labels and wrappers for Co-operative packages—work which is still partly left to them.

With the frenzied advertising of the manufacturers of so many commodities and the rapid and extensive growth of Co-operative membership, which brought into the movement many not familiar with the real significance of Co-operative industry, it became necessary for the S.C.W.S. to advertise more generally than was necessary before, the separate advertising department was established, and Mr James Orr, of the counting house staff, who had been organising the exhibitions and the publicity connected with them for a good many years, was placed in charge of the new department.

Advertisements run in about forty Scottish and daily papers and twenty periodicals, exclusive of the Co-operative publications. If one goes to a theatre or music hall it is almost certain that a Co-operative advertisement will be seen on the curtain or on the programme. It is so also with concert and cinema programmes. Ingenious electric signs flash out the message of Co-operation. Attractive posters on the hoardings and extensive painted advertisements on specially selected gables on the principal tram routes shout at people the insistent message "Join the store nearest your door." Signboards on tram cars,

* See page 306.

at railway stations, on railway bridges make the same or a similar exhortation. Much to the annoyance of Glasgow traders, the Co-operative advertisement appeared on Corporation band performance programmes hung in the Glasgow tram cars. Somebody wrote to *John Bull* about it, but the story was not told properly and John's onslaught missed fire. Special summer advertising campaigns have been instituted at holiday resorts and at athletic gatherings. The advertising of S.C.W.S. productions in Co-operative publications, including societies' and guild programmes, year books, and membership cards, is pretty extensive; and the departmental staff keep the Co-operative shops well supplied with showcards, cut-outs, and window bills.

At every turn, one might say, Co-operation proclaims its presence. The advertising department only spends between £6,000 and £7,000 per year, or about one farthing for every £3 of sales. Some concerns pay for advertising at rates varying from 2½ per cent. to 10 per cent. of their turnover, but then their advertising is the chief merit of some businesses, as statements from the judicial bench have shown from time to time.

The Leith stationery department is housed in the Links Place premises, where it occupies one of the upper flats. The department is "cribbed, cabined, and confined" by the limitation of floor space; but, in the meantime, it contrives to keep abreast of the volume of trade by appropriating any little vacant spots that it can find in any of the other departments which share the shelter of this warehouse with it. It has been an undoubted advantage to societies in the East of Scotland to have the department in the midst of their Co-operative activities, and the Wholesale has gained because it has, through the department, retained trade and attracted trade that could not otherwise have been catered for. The Leith branch was established in 1904, Mr David Ross taking charge in the first year as has already been stated. He remained, in fact, till 1906, when Mr Thomas Porter was placed in charge. As an indication of how the trade has developed, it may be mentioned that, while the trade of the whole stationery department was about £76,000 in 1904, the Leith branch alone did a trade of £79,874 in 1918, and the Glasgow warehouse had a trade of £322,905 in the same year. These figures include the transfers of goods to other departments

of the Wholesale as well as sales to the societies; but the sales to societies were £76,625 from Leith and £269,422 from Glasgow. Increases in the price of all classes of paper and stationery no doubt swell the totals—the sales in 1914 were £22,803 from Leith and £91,214 from Glasgow; but the difference in prices does not account for the difference because in the intervening period between these two years an extensive trade in literature, official and other publications, and a number of other new lines, was developed. A considerable quantity of the goods sold from the two stationery warehouses is produced at the printing works at Shieldhall.*

INSURANCE AND FRIENDLY SOCIETIES.

THE question of insurance had exercised the minds of Co-operators for a long time, and in 1867 the Co-operative Congress decided that a Co-operative Insurance Society should be established. The society made considerable headway in several directions, but in 1912 the Co-operative Insurance Society became a department jointly owned and jointly managed by the two Wholesale Societies.

This section of the Wholesale's business is one that is bound to grow. It has to compete with older institutions doing the same work, but it appears clear that it is gradually making progress in all its departments. It insures societies and individuals against fire, burglary, and plate glass risks; it undertakes employers' liability, workmen's compensation, accident, and fidelity insurance, and in these directions its business is very substantial. Life assurance is not so extensively carried on as the directors would like, owing to older concerns having had the start and assured persons not being too eager to transfer policies, but Co-operators who are now taking advantage of the various schemes of life assurance that have been popularised—the ordinary, special, and industrial systems —are choosing the C.I.S. as their medium, and the business is growing. The C.I.S. has made its greatest success in a new form of assurance which no other company could undertake. This is the collective life assurance scheme. A society, large or small, decides at a general meeting of the members to adopt

* See "The Printing Department," page 374.

the scheme. It is then registered as a participant for the year. The last issued balance-sheet is taken as the basis of the agreement and a general policy is issued covering every member, the society paying to the insurance department a premium equal to one penny for every £1 of sales. The premiums are paid quarterly, or as often as the balance-sheet is issued. If a member of an assured society dies while the policy is in operation notice is sent to his society, and a funeral benefit is paid equivalent to four shillings per £ of the member's annual purchases from his society. The amount of purchases is averaged over three years, so that the effect of unemployment and other factors contributing to a temporary decrease of purchases is minimised. Thus, if a member of an assured society, purchasing goods to the extent of £40 per annum, die his next of kin is entitled to receive £8. If the wife of a member die the husband would receive half the benefit and would still remain assured. The cost of working the scheme, in view of the fact that the ordinary bookkeeping of the retail society absolves the C.I.S. from issuing separate policies and registering premiums for the individual members, is reduced to about 3 per cent. of the premiums. Under the industrial system, by which the assured person pays so much per week, an enormous amount of book-keeping and clerical work is involved and an army of collectors is engaged, and the cost of working the industrial system is therefore much higher—amounting to about 43 per cent. in many cases. In 1918 there were 710 societies assured, the aggregate membership of these being 1,952,556. The premiums paid to the department amounted to £283,383, and the claims paid by the department totalled 35,414, amounting to £246,232.

The following data show the rate of progress made in the various branches of the insurance business.

COLLECTIVE LIFE ASSURANCE BUSINESS.

Year.	No. of Societies Assured.	Premiums Received.	No. of Members of Assured Societies.	Claims Paid.	
				No.	Amount.
		£			£
1915..	506	129,686	1,134,844	19,886	124,221
1916..	581	179,700	1,380,139	23,843	147,165
1917..	616	226,223	1,578,074	27,746	179,127
1918..	710	283,383	1,952,556	35,414	246,232

Life Assurance Business (Individuals).

Year.	Ordinary.			Special.			Industrial.		
	Premiums Received.	Claims Paid.		Premiums Received.	Claims Paid.		Premiums Received.	Claims Paid.	
		No.	Amount.		No.	Amount.		No.	Amount.
	£		£	£		£	£		£
1915	38,155	107	8,978	17,353	599	6,001	5,118	285	2,626
1916	45,662	102	16,587	20,604	661	7,473	6,560	297	2,967
1917	56,412	274	22,904	23,873	795	8,729	8,212	369	3,593
1918	87,277	327	28,502	27,702	1016	11,472	20,944	1118	11,678

Fire and Accident and General Insurance Business.

Year.	Fire.			Accident and General.		
	Premiums Received. *	Claims Paid.		Premiums Received. *	Claims Paid.	
		No.	Amount.		No.	Amount.
	£		£	£		£
1915	64,173	1,816	15,282	20,395	1,442	6,977
1916	65,945	1,800	15,022	25,561	1,845	10,245
1917	73,636	2,025	26,494	29,737	1,696	12,798
1918	81,605	2,119	38,422	34,536	1,721	12,289

Employers' Liability Insurance Business.

Year.	Premiums Received.	Claims Paid.			
		Fatal.	Non-Fatal.	No.	Amount.
	£				£
1915..	32,864	22	2,375	2,397	16,381
1916..	34,111	21	2,319	2,340	16,085
1917..	36,642	22	2,159	2,181	17,429
1918..	50,842	24	1,917	1,941	18,273

In 1918 the total premium income in all departments amounted to £586,389.

The insurance department was located in the premises at the corner of Paterson Street and Morrison Street when the Wholesale took over the business. Later it was housed at the corner of Dundas Street and Morrison Street. Now it occupies another set of temporary premises in the building adjoining the new grocery premises in Morrison Street, the Glasgow manager being Mr James Darroch.

* Accident, Burglary, Fidelity, Plate Glass, Motor Vehicle, and Live Stock Insurances are included in the Accident and General Account.

State Insurance.

The inauguration of the compulsory State insurance of all employed persons opened out a new prospect of Co-operative development. The State—as represented by Mr Lloyd George —anticipated strenuous opposition to its scheme from the great friendly societies of the country, and gave the customary "sop to Cerberus" by deciding that all contributions must be paid through "approved societies" if people wished to secure the maximum State benefits, and at the same time decreeing that existing friendly societies might become "approved" societies. When the Insurance Bill was submitted to Parliament it had the close consideration of the Joint Parliamentary Committee of the Co-operative Union and the two Wholesale Societies, and the committee passed a unanimous resolution declaring "That the Committee are of opinion that the National Insurance Bill will give to our movement a long-needed opportunity of adding to its many spheres of usefulness that of insuring against sickness, disablement, and unemployment those of its members not otherwise provided for, and we strongly recommend that arrangements be made to take advantage of its provisions when passed into law."

A good many Co-operators who were deeply interested in friendly societies doubted the wisdom of taking any steps to give effect to this resolution. Mr Thomas Tweddell, a director (afterwards president) of the English Wholesale Society, became an ardent propagandist, and on 27th January 1912 he read a paper at a special conference held in the Oddfellows' Hall, Edinburgh, on the invitation of the Scottish Section of the Co-operative Union, in which he advocated that the Co-operative movement should form an approved society under the Act, and the Scottish Co-operative Friendly Society came into being as already described.*

The Friendly Society has had a singularly successful experience, thanks to the care and foresight of its officials and committee. At the annual meeting held in 1918 it was officially reported that from the society's inception eighteen other societies had transferred their engagements to it. This was half the total number of Scottish societies that had transferred their engagements to other societies, and the fact that so large a proportion

* See page 214.

had selected the Co-operative Friendly Society was eloquent evidence of its strong financial position, although greater evidence still is the fact that several of them selected this society on the advice of the Commissioners. The Commissioners have, in fact, warmly commended the services rendered to State insurance in Scotland by the secretary, Mr William Thomson.

In 1913 the membership was 6,337 men and 5,689 women, a total of 12,026; whereas in the Wholesale's Jubilee year the membership was reported as 7,938 men and 9,363 women, a total of 17,301, although that did not represent the full number at the end of the year. The expenditure on sickness benefit recorded in the annual report at the 1918 meeting was £5,508; on disablement benefit, £2,135; on maternity benefit, £957; and the married women's credits amounted to £110. The invested surplus funds in 1918 were £36,552, of which £16,440 was in 5 per cent. War Loan Stock, and £20,112 invested with the National Debt Commissioners.

THE PAISLEY ROAD "GUSSET."

THE building which forms the "gusset" at Paisley Road and Morrison Street is resolved into a triangle by Dundas Street, and therefore comprises the first of the Wholesale's "south-side" premises.* That original "Paisley Road warehouse" is the eastern block, and was built for the society. The grocery department uses part of this building, but established there are the office staff and architects of the building department, the office of the coal department, and the dining rooms managed by the S.C.W.S. catering department. The operations of the building department are separately described.†

When the S.C.W.S. holds one of its periodical millinery shows or entertains a party of delegates visiting one of the Society's centres, the guests of the Society are always impressed with the efficiency of the Wholesale catering department, of which Mr George Boyle is the chief. These occasions only come occasionally, however, whereas the catering department is never idle. The department is busiest at Glasgow and Shieldhall, where there are enormous numbers of employees who cannot get home for dinner, and who are provided for in

* See pages 80–1. † See page 342.

the Society's dining rooms. The department is not a trading department in the ordinary sense, for its primary function is to afford these employees facilities for meals. It does not undertake catering on a wholesale scale except in the Wholesale's own premises or at functions arranged by the Society itself. While the Calderwood Estate was available for picnic parties and excursionists, and the grounds were crowded on Saturday afternoons with these organised visitors, it was the rule that all the catering must be done by the S.C.W.S. department. That regulation was not made for the purpose of establishing any trade monopoly, but for the purpose of preserving order at Calderwood and avoiding the confusion that would be bound to arise if there were a dozen excursions on the one day (no unusual thing), each catered for by its own purveyors, with cooks and waiters or waitresses all getting into the way of each other. During a normal summer thousands of meals would be provided at Calderwood by the department. The delegates attending the Wholesale meetings—as many as 1,200 at times—all require food after having travelled from all parts of Scotland, and to feed this number twice during the day is a fairly big job. Delegates attending conferences held on Wholesale premises are also seen to. During the war thousands of wounded soldiers were entertained to dinners and teas in the Wholesale establishments and on steamers, and for four and a half years the large colony of Belgian refugees at Calderwood were attended to by the department. The Wholesale employees who take advantage of the catering arrangements have all the benefits of Co-operative trading, for the department does not aim at profit-making; it simply exists to serve, and it obviously serves well.

The coal department plays an important part in Co-operative economy. To organise coal supplies for the factories and other buildings utilised by the S.C.W.S. in its big trading and industrial operations is a serious undertaking by itself; but to act as the buyer for the retail Co-operative societies requires constant vigilance on the part of the staff of the department which is presided over by Mr Thomas Burton, who is a familiar figure on 'Change. The trade was always subject to troubles which many other trades were spared. This fact imposes upon the departmental chief and his staff considerable anxiety;

and the department has fulfilled its purpose with considerable success, despite the suddenness with which disorganisation sometimes affected the mining industry. The S.C.W.S. owns about 120 trucks, and by 1914 it had organised a trade extending to 338,000 tons per year. Of that, about 36,860 tons were used for the Wholesale Society's own mills and factories. In the succeeding years labour scarcity, the disorganisation of traffic facilities, and the Government's rationing system interfered with the trade of the department very considerably. The Government's arrangements were not fair to the Co-operative societies, because the terms of supply fixed the ration in proportion to the supplies delivered at an earlier period, and not in proportion to the number of registered customers. In spite of these serious obstacles, the coal department sold over 298,272 tons during 1918. On various occasions the department has been consulted by the authorities, who required expert guidance in problems connected with coal supply and distribution, and in a number of ways the department has effected a considerable saving for the whole movement.

OTHER GLASGOW CENTRES.

Morrison Street is not the only Co-operative centre in Glasgow. Paterson Street, in fact, almost rivals Morrison Street for the variety of Co-operative associations. Stand at the corner of Morrison Street and look north. It is a short view ; but in the little there is to see of Paterson Street in that direction there is the green fruit department which adjoins the stationery warehouse on the one side and the egg department on the other. Looking southwards, the view at close quarters is of the drapery warehouse, which comprises some productive departments. Further south, however, tall buildings rise almost at the extreme end of the street. They house a variety of S.C.W.S. departments. In those premises the building* department, the stables, the mechanics' shop, and general plant are located. Important factories, however, also find their home in Paterson Street. Most of these are dealt with in separate descriptive notes ; but the importance of this group may be estimated when it is pointed out that it

* See pages 342.

comprises the shirt factory, the underclothing factory, the bespoke clothing, and juvenile clothing departments, the blouse factory, the waste department, and the embroidery department. The waste factory is already described,* and the shirt and clothing factories come under their own categories.

The embroidery department is worthy of special notice, however. This was established in 1913, when it was housed at the other end of Paterson Street, at the corner of Maxwell Place, close to the fruit department. The latest inventions in machines are used for making ornamental hems, hem-stitched borders, and drawn-thread ornamentation, and sewing on cord-edging; besides plain-stitching machines, and machines used for flowered work, which they produce as artistically as the best hand workers. A specially interesting machine is one consisting of six working bands, by which the same ornamental design may be produced on six articles at the one time. This combination is used chiefly for the stitching of ornamental monograms on handkerchiefs and other articles requiring to be so embroidered. The work turned out is highly ornamental, and this is only one of the many ventures which has added to the importance of the drapery department.

Dundas Street runs parallel to Paterson Street, and the buildings in one adjoin the buildings in the other. At the south end of Dundas Street the chief building is the boot warehouse;† but in Dundas Lane North is located the heating plant, and in Dundas Lane South there is a sub-electric station.

The drapery warehouse, described separately,‡ houses several important productive departments. One of these is the special mantle factory; and another is the millinery department. The trade of these departments is merged, of course, in that of the drapery department; yet these departments alone contribute to the success of the drapery department very considerably. The latest modes in mantles are produced, and the millinery is of the very highest quality, as will be testified by anyone who has had the pleasure of attending one of the seasonal shows held under the auspices of these departments. It will, no doubt, surprise many to learn that no fewer than 600 artists are engaged in producing the designs followed by the millinery department,

* See page 322. † See Boot and Shoe Production, page 370.
‡ See page 320.

and, if that does not furnish variety enough, the Co-operators of Scotland are more fastidious than they are believed to be. In Maxweltown Place, overlooking the Kingston Dock, is the satin hat factory, which serves a very useful purpose, and is, naturally, an auxiliary to the drapery department. The factory was established in February 1903, under the management of Mr Mungo, but Mr Cook is now in charge. At one time the industry was thriving and ten persons were employed, but the "lum hat" has lost its old popularity, and seven men and women are now employed, partly at men's and partly at ladies' hats.

Another busy centre—for it is near enough to Morrison Street to be regarded as belonging to the centre—is the building at the corner of Park Street and Smith Street, Kinning Park. Here are located the ham-curing and sausage factories,* the cartwright, building, and saddlery departments,† the bedding department, scale repair factory, and waterproof and oilskin factories.‡

The scale making and repairing factory referred to was established 1908, owing to a desire on the part of the societies to keep their weighing apparatus correctly adjusted. Contracts are entered into under which the shops of societies are visited and the weighing machines tested and adjusted. The manufacture of scales and weighing machines was undertaken too, and the department proved its usefulness in many ways. In June 1918 a branch scale repair shop was opened in Edinburgh, and during the jubilee year the work undertaken represented a turnover of nearly £3,000. This, of course, does not include the value of weighing apparatus sold to societies.

THE BUILDING AND ALLIED DEPARTMENTS.

THERE was a time when the S.C.W.S. believed it would be better to employ a joiner regularly than to call one in from an outside workshop every time a little job had to be done about the premises. The work soon got to be too much for one, and another was taken on; and, eventually, several workmen were kept regularly in employment attending to repairs and little alterations that were wanted here and there. The whole of the gusset buildings at Paisley Road and Morrison Street had been acquired; the Wholesale had inaugurated its shirt and

* See page 359. † See page 417. ‡ See page 381.

clothing factories, its boot and cabinet factories, and its upholstery department by 1885; and all this involved a good deal of work for tradesmen of all kinds, for departments were extending and alterations had to be made frequently.

In view of this a building department was inaugurated in 1885. The department undertook the whole of the joinery work for the Dundas Street building in which the boot factory and the furniture warehouse were situated in 1887. It was the department's first job of any importance. What it has done since then is evidenced by the magnificent architectural monuments provided by the central premises, the drapery warehouse, the Chancelot mills, the new grocery warehouse in Morrison Street now nearing completion, the stationery warehouse, and the whole of the Shieldhall establishment, to mention only the more important and more ornamental of their "productions"; but, in short, the department has erected all the Wholesale's buildings that have arisen since 1887. Besides that, extensive alterations and additions have been made to buildings from time to time. Apart from what the department has done for the Wholesale Society itself, it has carried through very considerable building contracts for other Co-operative societies. The Convalescent Home at Seamill, West Kilbride, and the big extension to Abbotsview Home are well-known examples of the department's skill; but warehouses, shops and offices, shops with houses above, bakeries, and stables have been built for Co-operative societies in various parts of the country, while the structural alterations executed have been numerous.

The department does not only build what others design. It has its own staff of architects and its own costing staff, who are constantly designing buildings required by the Wholesale or society members, and estimating for such work. Most of the work done for the Wholesale in recent years, even the most ornate work, has been designed by the Society's own staff, and carried out under the supervision of the late Mr James Davidson —the head of the department—or his successor Mr William Mercer, who was for a long time his assistant and deputy. "Who builds stronger than the mason, the shipwright, or the carpenter?" According to Shakespeare it is the grave-maker, "for the houses he builds last till Domesday." The buildings

contrived and erected by the S.C.W.S. building department are not guaranteed to last so long as that ; but, like most Co-operative productions, they are solid goods, guaranteed to meet tear and wear as long as stone and lime will resist the ravages of time.

The resources of the Wholesale are not fully exhausted when it builds and designs. It has its own sawmill ; its cabinet factory provides fixtures which it can provide for the building department without violating the canons of trade unionism ; its engineering department makes and erects a good deal of the fittings, and there was a time—fifteen years ago—when slates might be obtained from a Co-operative quarry ; but that quarry is no longer a Co-operative possession. The Society, however, puts its own painters and decorators on to contracts for other societies as well as to work in Wholesale premises ; and it has a paint factory of its own in which paints and distempers are produced. The engineering, electrical, and cabinet works are referred to elsewhere ;* but the paint factory deserves special mention here.

The painting department found distemper a highly useful substitute for oil paint and wallpaper in many places, and very considerable quantities of this material were used which, of course, the Wholesale had to buy. The " intelligence department " looked into the whole business, discovered the secret of manufacture, improved upon original samples, and Paterson's distemper is now not only used in the painting department, but listed for sale to the societies for sale by them, in turn, to members. The name is a tribute to Mr Paterson, who has been at the instigation of the business. The outlay involved was considerably below what the Wholesale had to pay, even for the large quantities used in the department, for the other brands. The venture succeeded ; and when it was found that, in three years—1910-1913—no less than 80 tons of this material had been produced, the department turned its attention to oil paint. It had been accustomed to mixing its own paints for the execution of its own contracts ; but when the department moved into its new quarters in Houston Place arrangements were made for the production of paint in the small tins for domestic use, which command a ready sale among the handy housewives, or those

* See pages 387, 403.

who have handy and willing husbands, who do little odd jobs for their own pleasure and for the beautifying of the home.

The raw materials are brought to Houston Place premises, where apparatus has been provided for chemical tests to be applied to the ingredients in order to ensure permanency and other qualities essential in good paint. When the tests have been completed, the mixing processes are carried out in such a manner as to obviate the danger from which other paint factories are not altogether free. The proper proportioning of the ingredients is one of the secrets of the excellent quality of the Wholesale brand of paint, and this part of the business having been completed, the composition is placed in the patent mixer, so as to ensure that the paint is reduced to the proper uniform consistency without which paint cannot be successfully applied. From the mixer the paint is run by a patent drain into tins of the requisite size, and the filling of the tins is therefore carried out with perfect cleanliness. The blending of the colours is a part of the process calling for special skill and care, and it may be noted that the Wholesale markets its liquid paint in no fewer than thirty-two different shades. The paint is put up in tins of 1 lb., 2 lb., 4 lb., and 7 lb., and is sold to societies to be retailed in their ironmongery, hardware, or delf shops, or furnishing departments. Before the department was in operation for one month, no fewer than 6,720 1-lb. tins were sold, to say nothing of a considerable trade in larger sizes. Liquid paints succeeded, and the production of varnish paints was undertaken. The same processes have to be gone through, but the varnish paint has a gloss that the liquid paint has not, because of the varnishing properties contained in the former. One venture called for another. The demand for the new paint exceeded the expectations of the department altogether. The demand for tins added considerably to the output of the tinware department. The tins are of the lever-lid variety, and they are specially decorated; so that the enterprise of the painting department not only established a new productive department for the Wholesale, but gave a fillip to several other departments.

The extent of the work done by the building department may be judged by the fact that in 1914 it amounted in value to £71,000. Since then, for the greater part of the intervening period, embargoes on steel, restrictions on building, and other

similar effects of the war have lessened the activities of the department; but, even in spite of these obstacles, the work done in 1918 represented a total value of £64,000. Part of this sum, in both cases, is charged to the Wholesale departments for which the work was done, and part charged to the retail societies for which the contracts were carried out. The average number of persons employed during 1914 was 218 (lower than the average for some years); but the restrictions referred to and the demand for men for the Army and Navy, reduced the average to 140 in 1918. The building department undertakes the winding of all the clocks that are fixtures in the Society's property, and the cartwright department and the farriers' department * come under the supervision of Mr Mercer also.

FLOUR AND OATMEAL MILLING.

The Wholesale Society is credited with having the most handsome flour mill in the world, and a glimpse at Chancelot Mill, Edinburgh, furnishes *prima facie* evidence in support of the claim. The steps which led to the building of the Chancelot Mill and the acquisition of the Junction Mill (Leith) and Regent Mill (Glasgow) are recorded elsewhere,† and references are also made to the opening of these establishments.

Chancelot Mill, opened in 1894, represented then the Wholesale's greatest venture. It is built upon land feued in Bonnington Road—the feu extending to a little over three acres. Caledonian and North British railway lines skirt the mill, and sidings run into the grounds, so that the mill is admirably situated. The whole of the buildings are constructed of stone and the façade to Dalmeny Road is adorned with stone pilasters, base belt courses, and cornices. A clock tower, which rises to a height of 185 feet, constitutes the chief architectural feature of the building, and contains a water tank, thus combining the useful with the ornamental. The mason work of each face of the tower is terminated in a carved stone wheatsheaf. The sloping roof of the tower terminates in a flat platform surrounded by iron cresting containing the monogram of the Society, the central letters of which are about fifteen feet in height. The buildings on this front comprise the mill, the

* See page 418. † See page 148.

engine-house, the wheat-cleaning department, and the silos. Behind this building is the warehouse. The mill is 103 feet long by 34 feet wide, and extends to five storeys in height. The windows are so constructed that it is almost impossible for dust to lie, and the interior walls are double coated with cement, which gives a hard and white surface. The warehouse is 189 feet long and has six floors, and it can store thousands of tons of flour. The silo house, for the storage of grain, is 137 feet long and has a height of 70 feet. The engine-room has a length of 61 feet and is quite ornate in character. There are a boiler-house, mechanics' workshops, sack room, dining rooms, and stables; and there is also a pond containing a million gallons of water, chiefly for condensing and boiler feeding, which can also be used in the event of fire.

The processes through which the grain passes are most interesting, and all the parts of Chancelot Mill work into each other admirably, for the mill was planned by Mr Henry Simon of Manchester, one of the best milling engineers of his day. The wheat is brought to the mill by rail or road, and is conveyed by means of travelling bands to the silo, where it is weighed and checked. The grain is cleaned by means of separators, which remove straw, stones, or any other material foreign to the pure grain required for milling. Lighter impurities, such as dust, are removed by fans; automatic appliances remove foreign seeds, and a brush machine polishes the grain. This is but a brief indication of what happens in the cleansing of the grain, for about thirty-eight machines are brought into operation before the cleansing is thoroughly completed.

When the cleansing processes are completed the grain has to be brought to the proper condition for milling, and the care with which that is done at the S.C.W.S. mills is one of the reasons why orders for Wholesale flour have poured in to such an extent that the mills are kept working to their highest capacity. Some grain has to be dried and some has to be damped to secure uniformity; but as the supplies of grain do not all come from the same region the properties of various consignments of wheat have to be ascertained and the grain blended by the miller, just as flour is subsequently blended by the baker. The blending of the wheat is done by machinery, and when that is completed the grain passes to the milling machines. These are of the

roller type, which is specially adapted for the huge quantities that pass through the S.C.W.S. mills. The first rollers are grooved, the grooves on the succeeding rollers becoming finer, till in the end the rollers are absolutely smooth. The effect of the first roller is to crush the grain slightly, so as to free the germ and "middlings," out of which the finer flour is produced. In the various rollers parts of the grain, the outer shells, etc., are discarded. These materials have a saleable value as "offal." On the upper floors of the mill there are machines known as purifiers and scalpers, which separate and grade the productions of the rollers, and there is an ingenious system of elevators for conveying the ground material from one machine to that for which it is next destined. Every protection is provided to safeguard against fire and against explosion from dust in the mill and in the warehouse; nevertheless, an outbreak of fire occurred on 7th February 1916. The outbreak was believed to have been due to some of the dry dust having been caught by an electric spark from one of the machines. The automatic alarms brought four engines from the Edinburgh Fire Brigade, and when they arrived on the scene dense clouds of smoke created the impression that the whole building was doomed. The mill, however, is equipped with sprinklers, from which water is released by the action of the fire itself, and these were of valuable aid in the restriction of the damage. Besides, the mill has its own trained fire brigade always at call, and the members of this brigade did excellent service in stemming the ravages of the flames. Two floors in the centre of the building were involved in the blaze, and there the fire was confined; and so well had the outbreak been dealt with by the mill brigade that the municipal brigade were not more than an hour at work before the fire had been extinguished. Some of the shafts and elevators were destroyed, the damage from water was considerable, but about £1,000 covered it all.

Junction Mill, Leith,* was purchased in 1897 to undertake the milling of oatmeal in order to cope with the national demand for the food which builds up Scottish brawn and muscle. In less than ten years the milling plant had to be improved and extended, and immediately before the war the mill was again remodelled and equipped for a greater output. The mill is not

* See page 161.

used exclusively for oatmeal as was originally intended, for part of the plant is used for the production of flour and other finer mill products, such as semolina and kindred articles. Like the other mills, it is being run to its full capacity. The scarcity of the wheat supply is reflected in an interesting fashion by the fact that while the S.C.W.S. provided 28,427 sacks of oatmeal from Junction Mill in 1914, the output of oatmeal alone from the mill went up to 46,444 sacks in 1918, showing that many had gone back to oatmeal and porridge as a partial substitute for flour and bread. The mill is situated in Bowling Green Street, but if it lacks the ornate appearance of other Wholesale buildings it is chiefly because it was bought for and not erected for the S.C.W.S.

The historical associations of the Regent Flour Mill, Glasgow, have been already mentioned,* and they are a source of some little pride to the owners of the mill, which occupies such a commanding position on the banks of the Kelvin.

The mill consists of two buildings. The warehouse, which is the first of the buildings, is 240 feet long and 40 feet wide ; and the mill, 103 feet long by 38 feet wide. The floors and walls of the warehouse are so constructed as to make it almost impossible for fire to pass from one floor to the other. Between the warehouse and the mill there is a siding from the Caledonian railway which passes the mill, so that Regent Mill shares the same advantages as the other mills in respect of convenience for receipt and dispatch of goods. There are at Regent Mill the usual auxiliary departments—offices, consulting rooms, engine-rooms, and mechanics' departments, with the customary excellent provision for the convenience of the employees—but in plant and equipment there is nothing to be desired. The mill was practically rebuilt in 1886 and the plant was then modernised, so that it was regarded as being in excellent condition when the Wholesale took it over. Nevertheless, there have been several important additions made since then, and the plant and machinery have been so improved and extended that Regent Mill is probably the most up-to-date in the country. The last extension was completed in 1914 and added 1,300 sacks per week to the productive capacity of the mill.

The processes are similar to those carried out at Chancelot

* See pages 179, *et seq.*

Mill, and there is no need to repeat a description of them. One special department of the establishment, however, has to be mentioned. Flour, apparently, does not appeal to all bakers alike. Some bakers who have been accustomed to handling certain brands of flour do not easily accustom themselves to other brands. Hence it happened that when a society began to buy Wholesale flour the bakers, or the foreman baker, often complained of being unable to turn out a satisfactory loaf. Other bakers, on the other hand, found the flour from the S.C.W.S. mills as easy to handle as any other flour, and found it productive of excellent results. Complaints, however extraordinary, had to be answered with technical experience. The bread-baking competition, established in 1909, showed that first-class bread, meriting the highest tributes from experts in the bakery trade, could be produced from the Wholesale flour; but if a society's expert said he could not get on with it, it very usually meant that flour was bought elsewhere, and the directors saw no reason why the shareholding societies should not be able to procure satisfactory results from flour from their own mills. To provide the best expert advice from a technical point of view, there was established a little model bakery at Regent Mill. The directors employed the winner of the challenge shield for the best plain loaf at the 1909 competition, Mr Sproul of Musselburgh, and placed him in charge. Bakers who cannot produce satisfactory bread for their societies may have their samples examined and tested and are advised as to wherein the defect lies, and tests are made of fresh millings of Wholesale flour by producing loaves of the best quality to demonstrate what can be done.

The Crichie Meal Mill, Fyvie, Aberdeenshire, was purchased in 1915, at a cost of £3,000. It had then been in use for only about a year. It differs materially from the other Wholesale mills, particularly as to plant. The mill is built solidly of granite; there is a convenient water supply, which is able to keep the mill going during a considerable part of the year, and there is also an oil engine to keep the machinery going. The mill is small compared with the other mills, but it affords some relief to the Junction Mill, it taps a good oats-growing district, and it produces a good quality of Scotch oatmeal. During the period that the mill has been in the possession of the Wholesale

war conditions prevailed, nevertheless during 1918 Crichie Mill produced 10,866 sacks. One of the chief merits of the Crichie Mill is that it mills Aberdeenshire oats on the spot, and authorities seem to agree that there is a flavour about Aberdeenshire oats that is hard to beat.

Almost following the opening of Crichie Mill the Wholesale set up a depot in Aberdeen for the buying of oats produced in the surrounding country. This has been a successful auxiliary to the mill, but it has helped the Wholesale also because it established successful trading relations with the farmers generally to whom the Wholesale sells groceries and from whom it buys eggs and other farm produce—relations that the movement is eager to extend all over the country, especially among the smallholders. The transfer value of these purchases for 1918 amounted to no less than £138,310, apart from the transfer value of the meal ground at Crichie Mill, which was £55,093. The Wholesale, during the last year or two, handled scarcely any meal but that of its own milling.

Girtrig Mill, Drybridge, Ayrshire, was purchased in 1918. It is also a meal mill, smaller than Crichie Mill, but it is intended to act as a useful accessory to the Kilmarnock depot.* During the few months in 1918 that the mill belonged to the Wholesale it ground about 190 tons of oats, beans, etc. The mill is driven by water power.

The whole milling trade suffered serious troubles during the war, especially during the period of Control, which deprived the Wholesale of the advantage of its own network of organisation for wheat collecting in Canada. But despite the great capacity of the mills, they have to be kept running constantly almost day and night to keep pace with the demands of societies. Millions upon millions of loaves are required each year for Co-operative households—the bakery of St Cuthbert's Association, in Edinburgh, produces three and three-quarter million loaves in the half-year for the members of one society alone—and all the other uses to which flour is put, in bakeries, in the homes of Co-operators, and in Co-operative restaurants, have only to be thought of to make one realise what the demand is like. The milling department delivered 710,154 sacks of flour to societies during 1918 (13,656 per week), as against 634,252

* See page 317.

(12,197 per week) delivered in 1914, a difference which was very largely accounted for by the excellent terms upon which the Wholesale was able to supply societies. There is one fact, however, that is noteworthy. The Society finds a ready sale for the offals thrown off the grain in the milling process—and nothing is allowed to go to waste—but owing to the submarine menace and the shortage in supplies of wheat on that account, the Government compelled millers everywhere to grind part of this offal into flour, and the amount of offal sold by the S.C.W.S. in 1918 was less than half the quantity sold in 1914 owing to this regulation. In 1918 the value of the flour and offal sold was £1,543,256. The total output of flour from the three mills in 1918 was 615,894 sacks.

CREAMERIES, MARGARINE FACTORY, AND MILK CENTRES.

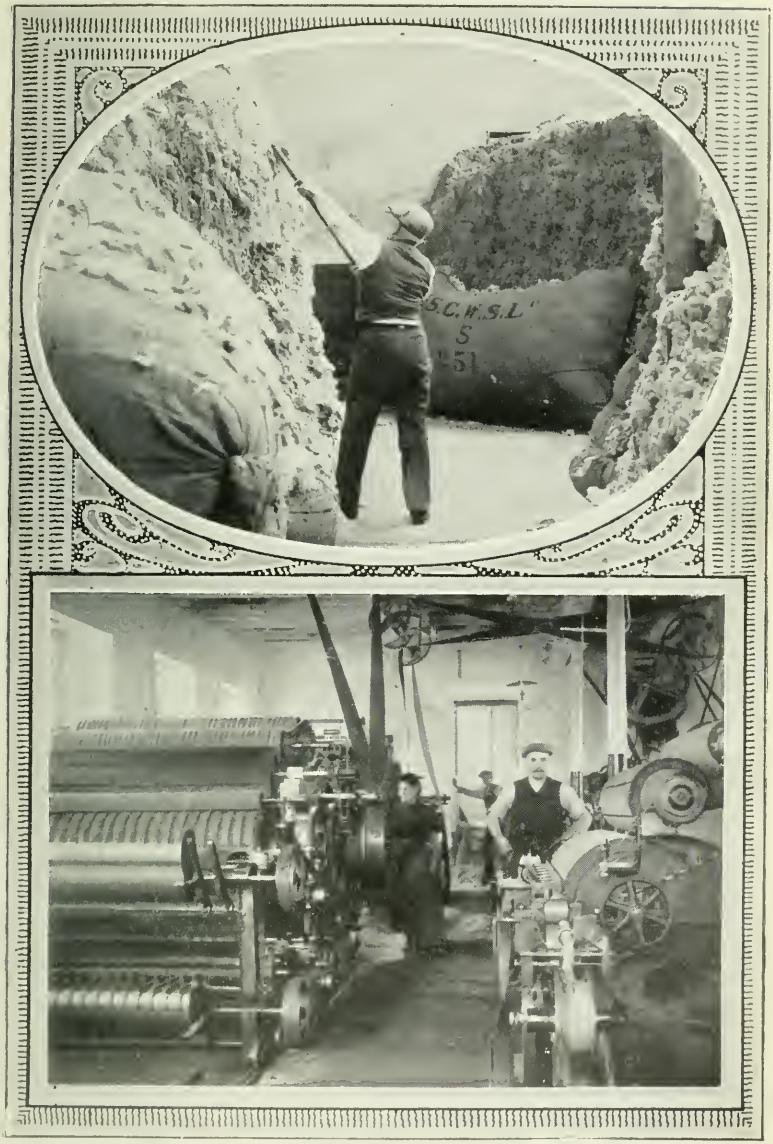
Many of the most active of Scottish Co-operators have never seen the Wholesale's establishment at Enniskillen; but it would surprise and delight them to visit the place and see for themselves the extent of the operations carried on there—operations which represent a twentieth of the total annual turnover of the Wholesale; or, for the last half-year for which figures are available, £513,000.

The Enniskillen branch was established in 1885,* as a collecting centre for Irish produce. Enniskillen was chosen because of the supplies obtainable within a convenient radius and because it is in direct railway communication with Belfast and Londonderry, which, in turn, have direct steamboat connection with Glasgow. As a collecting centre it has been a success from the start, and copious supplies of eggs, pigs, poultry, fruit, ham, and bacon are dispatched to the S.C.W.S. warehouses† or to the retail societies on the instructions of the warehouses.

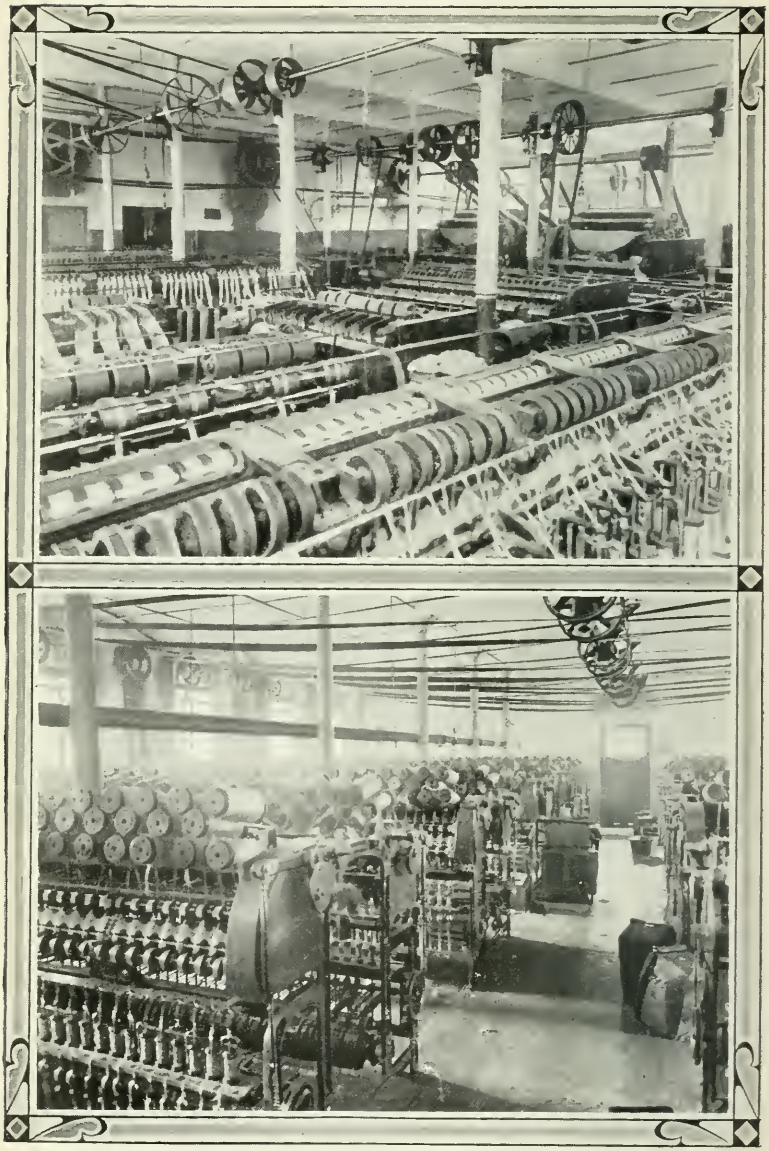
Here we are chiefly concerned with the creamery, in which business was commenced in July 1898, in order to improve the quality and maintain regular supplies of Irish butter. There was always a demand for Irish butter; and the Irish trade was being seriously rivalled by the Danish producers. Most people

* See page 125.

† For these activities at Enniskillen, see pages 311, 361.



(1) Wool Bings at Ettrick Mills. (2) Wool Carding Room, Ettrick.



TAYBANK WORKS

(1) Jute Preparing Department. (2) Jute Spinning Department.

can remember the familiar Irish "lump," wrapped in muslin. It was good, solid stuff; but it was not always produced under the best conditions, or in the most salubrious premises, and the little farms were not equipped with the best means of making the best of the Irish product. The Wholesale Society, however, set up its creamery. It was not without some little opposition in Ireland. The idea was to get the farmers to sell their milk to the creamery, the Wholesale undertaking the manufacture of the butter. Even enthusiasts connected with the Irish Agricultural Organisation Society did not take kindly to the scheme. They welcomed a market for the produce the Irish farmer had to sell; they did their best to improve methods, to improve the production of the farms, and to improve transport so far as they could; but while working towards that end they believed that the actual making of the butter was work the Irish farmers should be allowed to undertake either by themselves or in a creamery co-operatively owned by the farmers. In short, their idea was that the making of Irish butter was an Irish industry and should be carried on by Irishmen. The English Wholesale Society was faced with a similar view when it began its creameries; but it undertook that, while it would establish its own creameries and organise the necessary supplies of milk from the farmers, it would hand the creameries over to the farmers of the districts affected as soon as they organised themselves into Co-operative creamery societies to take them over. As a result of that, the C.W.S. has given up most of its creameries to such societies. The S.C.W.S., however, goes on at Enniskillen, where it has established a reputation which makes the people of the district take a kindly view of the Scots people who own the Enniskillen creamery. For that happy state of affairs a good deal of the credit is due to the tact and rectitude of the manager of the Enniskillen establishment, Mr William Whyte, who had given thirty-three years of service in Enniskillen when the Society's jubilee was reached.

In order that people may know exactly from what kind of place their Irish butter comes, it may be mentioned that Enniskillen is a lovely little town situated on an island, where a clear river meets one of the loveliest of Ireland's inland loughs —a town free of smoke, with clean-fronted buildings, with a green hill at either end of its main street.

The creamery is one of the most interesting places imaginable. The Wholesale's premises, except the piggery which stands on a hillside near, overlook Lough Erne, and comprising the creamery, the ham and bacon curing department, the egg store, and the electric-power station, stand at the extreme end of the buildings, bounded upon one side by the main road to the western counties of Sligo and Donegal; and a little road runs off the highway at the entrance to the creamery, and skirts the back of the buildings—a little road which has two or three of the most charming whitewashed cottages, with blazing ramblers growing up the walls. Thither hundreds of farmers send their milk, and a delightful picture presents itself in the mornings when the farmers' carts form their queue, not struggling for food, but giving it over for the benefit of those whom the fates chain to towns. The scene is as varied as it is gratifying, for one cart, drawn by a stout horse, will have several large milk cans; another, drawn by a donkey, will have one; here the driver is a big lump of a man with a whisker as white as the milk he brings; there it is a woman who "handles the ribbons." The milk is emptied into a huge vessel, all that the farmer brings. A measure on the inside of the vessel shows how much the sender has given; the quantity is noted by a busy clerk against the farmer's name; a sample of the milk is taken and placed in a glass bottle bearing the farmer's number, so that when the delivery of milk has ceased for the day the sample may be tested for its quality, which regulates the price. In 1918, 2¼ million gallons of milk were so handled. The cream, after being cooled, is run into the "churn," a large, horizontal cylinder fitted inside with paddles which revolve and beat the cream into butter, out of which the remaining traces of milk are removed, and the butter, lifted out by wooden spades, is pressed into boxes or barrels carefully lined with butter paper. The milk is placed in the can at the farm, and the first hand to come into contact with it or the butter is perhaps the hand which picks up the hot toast after the butter has been put on the breakfast-table of the co-operator "somewhere in Scotland." Well over 400 tons of butter, produced under such conditions, is sent out from Enniskillen. Eight auxiliaries feed Enniskillen, besides the farmers from the neighbourhood. The auxiliaries are Gola, Balnaleek, Florence Court, and "S" Bridge, all of

which have been going since 1898; Gardner's Cross, 1899; Blacklion, 1901; Glenfarne, 1902; and Moneah, 1908. The butter transferred from Enniskillen since the beginning amounted in value to over a million and a half sterling. At the auxiliaries the milk is separated and the cream dispatched to Enniskillen to save the multiplication of butter plants. The Enniskillen establishment gives employment to over 100 persons, whose wages bill ran into £10,000 per year in the fiftieth year. That is of some service to the people in the neighbourhood; but it is not the only advantage. The farmer no longer brings his box of butter to the market to sell for cash, part of which might be spent. He sends his milk; his accounts are paid fortnightly; he and his womenfolk are saved the trouble of buttermaking; the money comes regularly; the wife and her husband can consult together as to what can be done with it; and the general effect is towards improvement in domestic conditions.

The most exacting test of the quality of Irish butter is the system of surprise butter competitions and inspection under Government control. The farmers and owners of creameries who agree to enter for these competitions are pounced upon at any time without notice, and samples of their butter are taken to be tested. The awards are made on the result of the analyses and other tests applied. In 1910 there were seven such competitions, and the S.C.W.S. obtained three first prizes and two seconds; in 1912 there were seven, and the S.C.W.S. took five firsts; and, in all, between 1903 and 1914, the Enniskillen creamery was awarded seventeen first and eleven second prizes in the surprise competitions. It is a record of which neither the S.C.W.S. nor the Enniskillen manager need be ashamed.

What is being done so successfully at Enniskillen is also being done on a smaller scale at Bladnoch and Whithorn in Wigtownshire, and the user of "fresh" butter who purchases that commodity at the "store" will find that many of the prints used have the name Bladnoch as a guarantee that it is a first-class Co-operative production. The situation of the Bladnoch creamery, established in 1899, is scarcely less charming than that of Enniskillen, and it is something to know that the Wholesale directors have made it their business to choose such delightful sites for establishments engaged in the production of

foods that are very susceptible to impurities in the atmosphere. Bladnoch is on the banks of the Bladnoch, near Wigtown, where it enjoys the fragrance of the sea breezes that are wafted in from the arm of the Solway firth that is named Wigtown Bay. Under the control of the same manager is the Whithorn creamery, established subsequently. This is about fifteen miles distant in the same county, nearer the extremity of the peninsula, where it feels the effect of the sea air from east, west, and south. There is no dust-laden atmosphere to contaminate the products. The establishments, both at Bladnoch and Whithorn, are equipped with the latest plant and machinery, and there is a special electrical installation in both places. The processes carried on are similar to those at Enniskillen. A normal year's output of butter from the two establishments may be reckoned at 270 tons.

The chief importance of Bladnoch now is its margarine industry. Before the war margarine was not popular even in the working-class home, and while people who were known to be well-to-do had no hesitation about using margarine for cooking and baking, many working people who used margarine did not seem to want people to know about it. That was one of the chief reasons why co-operators who bought margarine very frequently bought it at some of the multiple shops that specialised in that commodity. Adversity makes strange bedfellows, however. The submarine cut off Danish supplies, and the price of butter rose to a serious extent, with the result that a phenomenal demand for margarine was created. The S.C.W.S. factory produced about 20 tons of margarine per week before the war, but now it produces 200 tons per week, and extensive additions to the factory, which are in process, would have been completed before now if it had not been for difficulties surrounding the supply of labour and building material in the acute stages of the war.

Milk is an essential item in the production of the margarine. This reaches the creamery by means of the S.C.W.S. collecting motors, which cover a wide area, or it is conveyed by the farmers nearer the factory. At the receiving platforms at the works the milk is run into a vat, where it is tested and weighed, and it is then discharged along chutes into the collecting vats. Pasteurisation follows and the milk is subsequently separated. The skim milk is then passed over refrigerators and the cooled milk is

pumped into the souring vat, where it remains till "ripe." Upon the accurate conduct of this part of the process the value of the margarine depends, for the taste is regulated by the degree of sourness the milk attains. The oils that go to the production of the margarine have meanwhile been in preparation. These are chiefly cocoanut, palm kernel, or cotton-seed oils, which are largely bought in the open market. During the war the Wholesale was handicapped very seriously through not having its choice of oils. From its West African possessions,* now, it expects to be able to derive substantial supplies when the world settles down, but the Society will take the best from anywhere. The sister federation in England owns an oil mill at Liverpool, where palm kernels are crushed, and as the overseas possessions of the two Societies are in process of being scheduled as the joint property of both, as in the tea partnership,† they will be able to be of service to one another in the supply of materials. The oils, when they are required for use at Bladnoch, are tipped into melting tanks. The solid oils are first of all shredded in a machine invented by one of the employees at Bladnoch, whose ingenuity was suitably rewarded by the directors. The oils, when ready for use, are mixed prior to their mixing with the milk. The liquid is passed through a churn; the resulting emulsion passes through chilled water, where it is crystallised into margarine and precipitated into tanks. The produce is skimmed into trucks, rolled, kneaded, and blended, and then packed when ready. Even the packing boxes are made at Bladnoch.

Thousands of gallons of milk arrive at the creameries each week. Some of this is used for cheese-making—during a normal year it amounted to about a million gallons—but, in the winter time especially, considerable quantities have been sent to Glasgow. An important by-product of the cheese-making is whey. For this the Wholesale would have no particular use, so at Bladnoch it is pumped through pipes to the piggeries, three-quarters of a mile away. There is a piggery at Whithorn also, the inhabitants of which are also large consumers of this and other material for which the Wholesale has no other convenient use. The pigs, when brought to the "pink of perfection," are transferred to the ham and bacon curing factories of the Wholesale.‡

* See page 432. † See page 232. ‡ See page 359.

These two creameries and the margarine factory serve a very useful purpose. We heard a reverend gentleman in Sauchie describe how he used to delight in seeing the big Wholesale motors coming along the road to his father's farm in the Bladnoch area, and he told how splendidly the Wholesale helped the farmers in the district by providing them with this ready market for their milk, at fair prices promptly paid for the regular supplies. There are now about 200 workers employed here, and there are the beginnings of a flourishing little Co-operative community. Mr A. M'Gaw has charge of both creameries and the margarine factory, and was, indeed, released from the Army to enable the Wholesale to get on with the production of margarine. He succeeded the late Mr Robert Green, who helped to put Bladnoch on a sound foundation.

Besides Enniskillen, Bladnoch, and Whithorn, the S.C.W.S. has recently acquired, by purchase, creameries at Stranraer, Sandhead, and Drummore, all in Wigtownshire ; and at Ballymoney, in Ireland ; but the purchases are so recent that they have not augmented the volume of Wholesale productions in the fifty years of Wholesale Co-operation with which this record deals.

The supply of milk itself was a serious matter for Co-operative societies for some time. The demand for this article is so widespread, and a supply is so essential for the health of everybody, that large societies—especially those which did not enter into the trade until the membership was very large—find it a problem to embark upon the milk trade. Even societies that did begin to cater for a small membership found the task very considerable when the membership grew. Milk cannot be produced in a factory, and the societies had to go farther afield in search of supplies, with the result that they found themselves frequently and unconsciously competing with one another for supplies from the same farmers. The idea of having extensive farms upon which all kinds of essential produce could be raised—including cattle and milk—had been entertained for a considerable time, and this idea was largely in the minds of the directors and shareholders when Calderwood Estate was purchased.* The establishment of the Ryelands milk-collecting centre in 1909 was an important step even then overdue. Calderwood was

* See page 422.

stocked with milch cows, and the directors entered into negotiations with the farmers in the Strathaven district. It was intended to organise a regular supply of milk for the collecting centre, from which it could be distributed to societies' dairy departments within reach of the Wholesale's fleet of motor vehicles. A meeting of farmers was convened early in 1909. About a hundred attended the meeting and about eighty of them promised to support the scheme. The centre was pretty much of an experiment. It was not thought that a wide area could be supplied from there, but it was intended to establish similar departments of the Wholesale to meet the needs of other industrial areas. Ryelands, which is near Strathaven, has served a useful purpose. It supplies societies with milk, buttermilk, butter, and cheese, and disposes of nearly half a million gallons of milk per year, about 50,000 gallons of which are derived from Calderwood Estate. During recent years a number of the retail societies have begun to face the milk and other food problems *a priori* by the purchase of large estates suitable for farming enterprises.

Towards the end of 1918 additional creameries were purchased at Kirkmichael (Ayrshire) and East Kilbride.

SAUSAGE, HAM-CURING, AND BACON FACTORIES.

The sausage factory, in the building which occupies the corner of Park Street and Smith Street, Kinning Park, dates back to 1892 when the factory was established in underground premises in Morrison Street. It was not in accordance with Co-operative ideas of hygiene ; but it was not intended that those premises should be more than temporary. The factory was afterwards removed to Crookston Street, behind the site of the present central premises. A fire there necessitated a removal to 119 Paisley Road, where it remained till the present premises were allotted to it on the completion of the building.

The work of the factory includes not only the production of sausages and cooked meats, but the preparation of cuts of beef, pork, and mutton for sale to societies. The work is carried on in five flats of the building, all of which are spacious and well adapted to their present use. The basement is used for curing and pickling corned beef and tongues. The ground

flat, which communicates by means of an elevator with all the other flats, is the packing department, and is equipped with loading tables which are easily approached by vans and lorries. The first flat is the butchery department proper, which is admirably provided with travelling gear so that carcasses and parts may be removed without difficulty from one part of the department to another. The equipment is all of the latest, including two large refrigerators. On the second flat the spicing and mixing of the meat and the filling of the skins are conducted. The third floor is utilised for the preparation of cooked meats, puddings, and lunch sausage, the last two being filled by hydraulic filling machines. In all these departments every facility and aid to cleanliness is provided, and strict attention is paid to sanitation and ventilation, the result being that the place is free from that unpleasantness which is so marked a feature of many establishments devoted to these purposes.

Many small societies that do not pretend to do a fleshing trade sell sausages and cooked meats, and many large societies that do fleshing trade sell sausages and cooked meats in their grocery departments. The Wholesale began this factory to supply the sausages; but it could not kill cattle and pigs only for the manufacture of sausages, and so the societies began to sell chops, steaks, cuts of boiling beef, etc., until they popularised the Co-operative meat, and were eventually able to establish their own fleshers' shops and do their own killing and dressing. The sausage factory, therefore, enabled many societies to enter into the fleshing business, in which some of them have had singular success. The chief products of the factory are Oxford, Cambridge, tomato, picnic, ham and tongue, and luncheon sausages and lunch rolls—not to mention haggis when required, together with a large variety of meat puddings. The cooked meats produced include "London brawn"; veal, ham, and tongue; spiced beef; braised beef; chicken and veal; ox tongue; and roast gigot. These—except, of course, the gigot —are packed in glass jars and hermetically sealed; and the Wholesale's cooked meats are in high favour. All the pork used in the factory is reared at Calderwood, Bladnoch, and Enniskillen—the sausage factory takes its pork from nowhere else. In this building, also, the Glasgow ham-curing factory is located.

Enniskillen's bacon-curing factory is of growing importance. Its piggery is the chief feeding ground for the factory. Pig breeding is not engaged in; but the Wholesale buys its pigs young, and rears them until they reach the age and condition at which they yield the largest quantity and best quality of bacon. The Enniskillen * establishment of the Wholesale is described more graphically in the section relating to creameries; but it should be said here that the piggery occupies an ideal situation on a hill-top close to the curing factory, where everything is conducted on the most hygienic principles. The piggeries provide accommodation for 600 pigs. The Enniskillen branch does not cure all the pigs it handles, for, in the last pre-war year it purchased 29,140 pigs, of which only 2,129 were transferred to the branch, and others were shipped to Kilmarnock and elsewhere. In the factory the latest methods are employed, and the place is a veritable network of curing rooms and refrigerators, rolling rooms and dispatch rooms. In 1913, 18,940 cwt. of bacon was shipped to the S.C.W.S. order, 8,399 cwt. of ham, and a considerable quantity of lard apart from the pigs transferred to other Wholesale establishments. The trade was, of course, disorganised by the war, and the restriction of export from Ireland made it necessary to dispose of considerable quantities in Ireland; besides which there were times when the Wholesale could not obtain all the pigs required to meet the needs of Co-operators. On that account the transfers from Enniskillen showed a considerable decrease in the jubilee year. In 1917 the bacon shipped was 22,343 cwt. and the ham 9,803 cwt., whereas in 1918 the figures fell to 10,796 cwt. and 4,468 cwt. respectively. The figures show how the department was affected by control. We give the quantities rather than the price here, because between 1914 and 1918 the average price of pigs in the dead meat markets in Ireland rose from 56/4 per cwt. to 149/9 per cwt.

FISH AND FISH CURING.

The Aberdeen Fish Market is one of the sights of the Granite City; but, unlike an interesting ruin, it has the disadvantage of being seen at its best at an hour when most people are abed.

* See page 352.

When the fishing craft of all kinds are landing their hauls, and, on a day when there is a full supply, the market is stocked from end to end with fish.

At this great centre of supply the S.C.W.S. has had a station since 1899, during which period it has been under the charge of Mr W. C. Stephen, who all his life has been connected with the trade, and whose acquisition has been a decided advantage to the Wholesale Society and its clientele. This establishment forms one of a large group all lying near the fish market and between the railway and the Dee. From these places all day long come the fumes of burning wood, denoting that curing is in course of operation, and every now and again there appear on the street groups of sturdy, bare-armed females, their legs thrust into long sea-boots, who find employment there as fish-cleaners.

The S.C.W.S. station is not an architectural feature of the Granite City. It is a plain building, intended for use and not for ornament ; and it is the third that the Wholesale has had, the others having outlived their usefulness because of the extent to which the trade has grown. The establishment has been an unqualified success from its very inception, although the trade has been seriously affected by the war owing to the restrictions placed upon fishing operations by the Admiralty. In normal times about 370 trawlers operated from Aberdeen ; and during the war there were only about 40. That, of course, is typical of most fishing ports under war conditions ; and those trawlers that were left were only small ones that could not face very stormy weather, the best having been converted into mine sweepers and patrol vessels. More than once the S.C.W.S. considered the wisdom of having its own trawlers ; but the idea had always been dropped because a considerable portion of the fish taken would be unsuitable for the Wholesale's trade, and the directors and their experts have considered it better to be able to secure the pick of the market. One of the chief duties of the manager at the Aberdeen station is to select fish at the busy market every day ; and, as the Wholesale does a cash trade, it can secure the best supplies available. While the war has so curtailed the fish supplies, it is generally believed that the trade will be one of the first to recover from the effects of the war, and the fact that the fish had been left in their natural element for several years should conduce to abundant supplies for some time.

The Wholesale trade at Aberdeen covers cured fish, salted fish, fresh fish, cod liver oil, fish meal. The curing establishment is admirably equipped for dealing with large supplies of fish. First in importance comes the pale haddock, then finnans and smoked fillets. The Wholesale Society, by the way, was one of the pioneers of the smoked fillet trade, which has proved an extremely popular line. Smoked ling, smoked cod, salt ling, and salt cod and kippers are fairly big branches of the Aberdeen trade; and the quantities of smoked haddocks and kippers supplied by their station might properly be described as enormous. The salt fish trade was commenced in 1903 to keep the workers regularly employed. In 1906 the manufacture of fish sausages was commenced. The cod liver oil extracting department is one with excellent facilities, and the Wholesale is said to produce the best oil on the market. The livers are taken out of the fish as soon as they reach the station, and they are manipulated at once, so that the oil is produced under the best conditions, instead of leaving them to lie for several days. The fish meal, which is used for feeding stuffs or for fertilisers, is produced from fish offal. The fresh fish trade is expected to develop very largely as the retail societies enter more completely into the fish trade.

Round figures relating to the output from this department show sales of 164,484 stones, valued at £23,681 in 1901; in 1903 this had gone up to 230,595 stones valued at £38,320, to which had to be added 24 tons of salt fish, the handling of which only began in that year. The sales for 1914 amounted to 370,605 stones (a decrease of 3,646 stones for the year, owing to war), 118 tons of salt fish, 34 barrels of cod liver oil, and 13 tons of rough oil. As has already been pointed out, the whole fishing industry was disorganised during the next few years, and the cod liver oil production was especially hurt. For 1918 226,220 stones of fish were disposed of, nevertheless, their value being £168,500; besides which there were 10,574 boxes of red herrings sold.

AERATED WATER FACTORIES.

The sale of intoxicants by a Co-operative society is a bar to its joining the Wholesale, but the S.C.W.S., in order to satisfy the "appetite for drink," has developed a big trade in mineral

waters and other non-intoxicating beverages. The supplies of minerals, or aerated waters, produced by the S.C.W.S. in its own works approach £70,000 a year in transfer value.

The production of these goods is carried on in four factories, the first of which was established in Glasgow in 1897. The Leith factory, housed in the buildings at Links Place, was established in 1898. Only three years later a factory had to be opened at Stirling as an auxiliary to Glasgow, and Leith had an auxiliary factory established at Dunfermline in 1906. The most important of the factories is the Glasgow factory. The considerable difference in its output as compared with the other factories ought to speak volumes for the greater temperance of the West of Scotland as compared with the rest of the country, but the rest of the country would probably resent any inference of that kind from the figures relating to these factories. The Excise Duty levied upon these goods during the war, the cost of materials, and the difficulty in securing bottles and syphons owing to war conditions, all tended to increase the price and to interfere otherwise with the progressive extension of the trade, and so the figures relative to 1918 are slightly below the figures relative to 1914. In 1914 the output was as follows :— Glasgow factory, 304,883 dozen bottles and 17,408 dozen syphons ; Leith, 103,529 dozen bottles and 1,061 dozen syphons ; Stirling 72,335 dozen bottles and 1,254 dozen syphons ; Dunfermline, 107,211 dozen bottles and 320 dozen syphons. Total—587,958 dozen bottles and 20,043 dozen syphons. In 1918 the figures were :—Glasgow, 335,323 dozen bottles and 35,238 dozen syphons ; Leith, 48,390 dozen bottles and 685 dozen syphons ; Stirling, 49,060 dozen bottles and 1,797 dozen syphons ; Dunfermline, 62,925 dozen bottles and 171 dozen syphons. Total—495,698 dozen bottles and 37,891 dozen syphons. Worked out at the number of bottles of " fizzers " per year to every Co-operative family in Scotland, it does not seem as if Co-operators had taken to drink—drink of this kind —to a reprehensible extent ; nevertheless, the figures show that the trade is very considerable.

The productions are of a varied character—except as to quality, which is invariably good. The constant grumble of the man who takes an occasional dram is that there are no " decent teetotal drinks." The S.C.W.S. has almost solved that man's

problem for him by producing a hop ale which ought to satisfy him. There are other brands of hop ale, but many connoisseurs regard the S.C.W.S. production as an ideal drink—sharp, thirst-quenching, brisk, and free from the sticky sweetness that makes so many teetotal drinks objectionable. In 1920, it is anticipated, Scotland will have the opportunity of exercising its own will under the Licensing Act which comes into force. There will, undoubtedly, be a big wave of opinion turning towards Prohibition, and the concern which provides the most palatable, healthy, and desirable temperance beverage will do a service to a community which is likely to make a big change. The success of the S.C.W.S. in the production of this non-intoxicant hop ale augurs well.

In 1916 the Glasgow factory, till then in Paterson Street, was transferred to St James Street, Kinning Park. It is a model factory in which, like all S.C.W.S. factories for the preparation of articles to be eaten or drunk, everything possible is done to secure purity. Loch Katrine water has an excellent reputation for its purity and wholesomeness, but it does not come up to the S.C.W.S. standard of perfection; and so the water is all filtered in the factory and is thereafter passed through tin tubes, so as to secure absolute protection against lead poisoning. While this precaution is taken with regard to the water that is to be used, the utmost precautions are also taken to secure the cleanliness of the bottles. The syrup room is a notable feature of the factory. Here the various syrups or essences are mixed to produce the various aerated waters as required. The gas generating plant for aeration purposes is also on an extensive scale, for the Wholesale is hopeful that, much as the trade in aerated waters has grown, it may be quadrupled before long. The carbonate process is used in connection with the brewing of hop ale. The trade in syphons of minerals is rapidly growing, and should grow even more rapidly when all the war's obstacles are removed. The syphon-filling plant installed in the new factory disposes of thirty dozen per hour. The bottling plant for the mineral waters is quite the latest equipment of the kind, and the last record can be left behind quite easily. The factory is probably one of the best equipped in the trade.

SHIELDHALL AND ITS INTERESTS.

SHIELDHALL will be associated with Glasgow's greatness for generations to come by all who measure a city's greatness by the happiness and prosperity of its people. Co-operators know what their own enterprise there has done for the welfare of the people, not only in Glasgow but all over Scotland; nevertheless, it is well that those who own the great factories which give employment to thousands of persons there should know something more of the place than most of them do.

The name Shield Hall was once as well known in society circles as Shieldhall is in Co-operative circles. Ten years ago the old mansion of Shield Hall estate might have been seen, but its glory has faded now. It does not stand on S.C.W.S. land. It stands on a site now hidden by the adjacent sawmills. It was a stately mansion in its time, with its conservatories and vineries, its old-time gardens, and its old-time sundial. Its stables held the choicest hunters and its kennels the fleetest hounds. Its rooms housed many a brilliant throng and its tables bore many a princely feast. Like most mansions, too, it had a skeleton lurking in one of its cupboards, for one of its occupants hanged himself in the garden.

The records of its owners and the characteristics and history of the old house formed the subject of at least two articles in the *Co-operative News*, and an interesting little article also appeared, shortly before the building was dismantled, in the *Evening Times*, the contributor being Mr T. C. F. Brotchie. From these we cull the notes which follow for the information of Co-operators generally.

The first portion of the house was erected about 1720 by Bailie Thomas Hamilton of Glasgow. Misfortune followed him and he had to sell out. Several other occupants had but short tenure of the place, and in 1746 the mansion and its lands were purchased by John Wilson, who was wealthy enough to make a gift of £450 to the Town's Hospital. (If we are not mistaken, the same John Wilson was Town Clerk of Glasgow, and had his office in a close in Saltmarket, long known as Wilson's Close.) Wilson's successor had no better luck than Bailie Hamilton, and his creditors sold him up. Shield Hall fell to Alexander Oswald, a Glasgow merchant, whose family did much for the

welfare of the city for a century and a half. Richard Oswald and his brother Alexander were well known in Glasgow in the early part of the eighteenth century as merchants and shipowners. They owned three ships out of Glasgow's total foreign fleet, which only numbered forty-one brigantines and sloops in 1735. These three vessels traded very largely between Glasgow and the West Indies, Madeira, and Virginia, dealing chiefly in tobacco and wine. Their stores were constructed in Oswald's Land, in Stockwell. Oswald Street, which runs from the Broomielaw to Argyle Street, is named after the family, because part of it formed the garden of the family's town house, which was one of two mansions which, when Argyle Street began to be built in, lost their former glory and constituted business premises which, from the trade of the Oswalds in Madeira wine, came to be called Madeira Court. The Alexander Oswald who purchased Shield Hall was a son of Richard Oswald and the nephew of Richard's partner in trade. Richard and Alexander were sons of the Rev. James Oswald of Watten, and they had a cousin, the son of the Rev. George Oswald of Dunnet. This cousin came to Glasgow, but settled in London, paying frequent visits to North America, where he had acquired large possessions. In 1782 he signed, as a British Commissioner, the preliminary articles of peace between Great Britain and the United States of America which recognised the independence of our former colonies. On the American side the treaty was signed by Benjamin Franklin and John Adams. Alexander Oswald, the first of the family to occupy Shield Hall, was a man of political opinions so advanced that he incurred the displeasure of many of his fellow merchants in the city, and it is said that a warrant was actually issued for his arrest. It was hostility such as this that made him give up his house in town, and take to the seclusion of Shield Hall. He was a man who never hesitated to give his personal or material help to any movement for the elevation of the people of Glasgow. Among his purchases of land in the city was Windmill Croft, part of which constitutes Kingston Dock.*

It is interesting, therefore, to know that the first S.C.W.S. premises in Madeira Court were situated in property that once belonged to this family, that the Shieldhall Works are built

* See page 303.

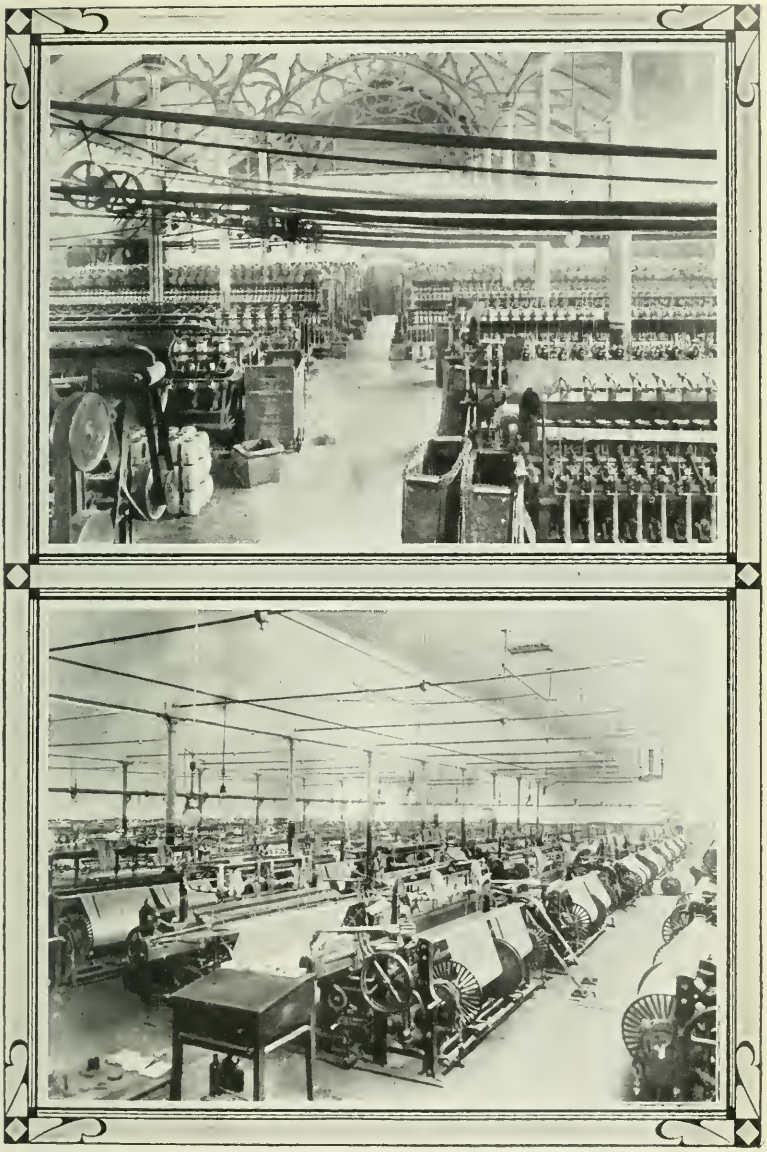
upon what constituted part of Alexander Oswald's estate, and that the present central premises are also built on ground that was once his.

Alexander Oswald died at Shield Hall in 1813. His son James, who succeeded him, was one of the Glasgow pioneers of Reform, and was one of the two members chosen to represent Glasgow in Parliament in the first election following the passing of the Act. He sat in Parliament from 1832–1837, and again from 1839–1847. He was also one of Glasgow's ten delegates at the World's Convention in London, in 1840, to oppose the slave trade, and his personal companions were Daniel O'Connell and the anti-slavery orator, George Thomson. He succeeded to a family estate in 1841 and removed there. A Glasgow merchant, Alexander Johnstone, who was M.P. for Kilmarnock Burghs for a time, acquired the estate in 1841; his son succeeded in 1844, but in 1855 he died, leaving the estate in trust. It was sold to James Scott and John Proudfoot, merchants, in 1872; in 1875 it was sold to Robert Cassells, an iron merchant, and then passed into the possession of the Glasgow Iron & Steel Co. Ltd.

Mr Maxwell complained of having to pay £500 per acre for the ground at Shieldhall when the first portion was bought in 1887, and complained of the price having risen to £1,000 per acre in 1905. It has been mentioned already * that the price had risen to £1,400 per acre in 1914. The S.C.W.S. found the price almost trebled in twenty-six years. In 1841, when James Oswald left Shield Hall, the whole estate fetched £33,000. When it was sold in 1872, thirty-one years later, it had more than trebled, for the price was £113,000; and three years later, when it changed hands again, Robert Cassells paid £158,000 for it.

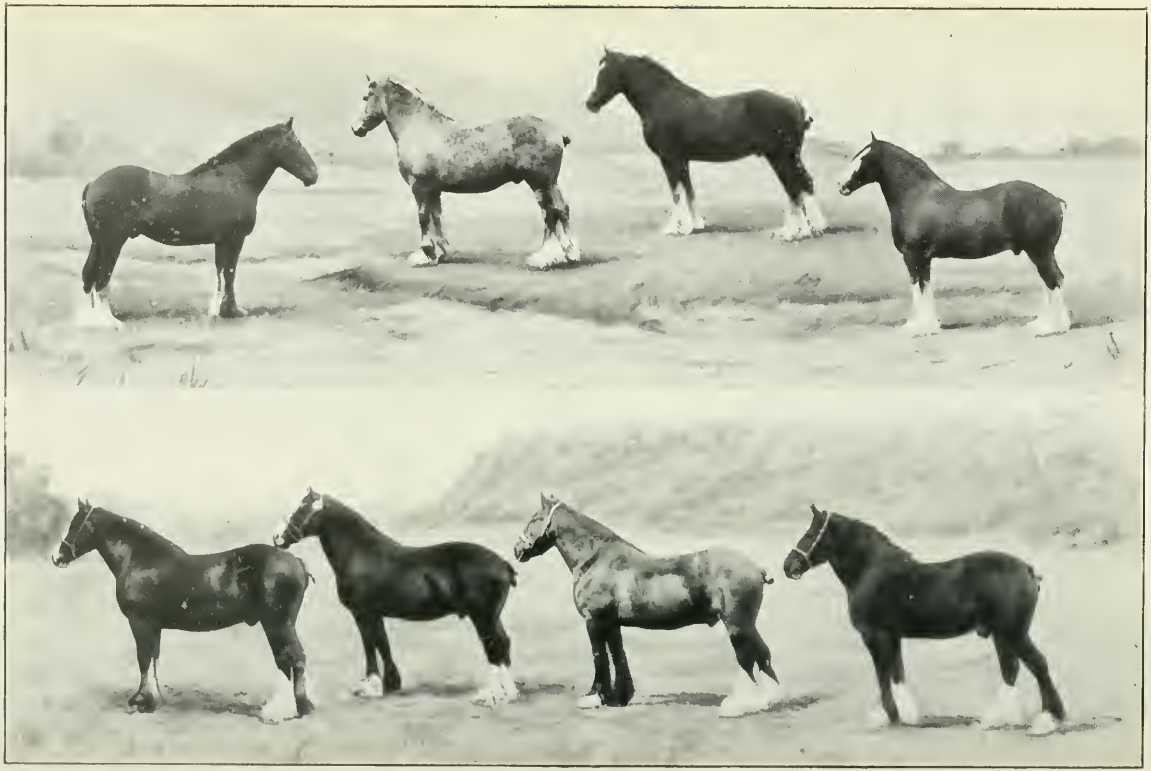
The present appearance of Shieldhall is likely to be subjected to considerable alteration. The change which has made Morrison Street a leading thoroughfare instead of a "back street" † is an indication of what is likely to happen at Shieldhall. The Clyde Navigation Trust have already obtained Parliamentary authority for the construction of a new dock, which will cause a diversion of the Renfrew Road (on which the entrance to Shieldhall Works is situated). The road which runs

* See page 129. † See page 304.



TAYBANK WORKS

(1) Jute Yarn Winding Department. (2) Jute Weaving Department.



THE WHOLESALE'S PRIZE STUD. SOME UNBEATEN GELDINGS

Top Row (left to right) Federation, Pieter, Tom, Unitas. *Bottom Row* —Jim, Harry, Willie, Johnny.

along the west side of the works will be the only division between the works and the new dock, and will still lead to Renfrew, as the old Paisley Road along the Kingston docks leads to Paisley, but it is not likely to be the main thoroughfare, because it will mean a long road. There are plans in existence, recently prepared by the city authorities, for the construction of a new road which will skirt the south side of the new dock and proceed eastward, almost in a straight line, till it joins with Paisley Road West. That will probably be the main thoroughfare, and what now constitutes the front of Shieldhall Works may become the back, as the old front of the Drapery Warehouse is no longer the front entrance. Posterity, however, will appreciate, perhaps even more than present-day Co-operators, the picture of the Shieldhall front as it was intended to be. The front has been completed on the west side of the handsome gateway (the visitor's right on entering the works). Shortly before the war broke out it was intended to proceed with the erection of the other wing, but the war stopped that enterprise owing to the restrictions on building and the cost of materials, and, in view of the prospective changes outlined above, the plans may not now be completed. Passengers on the trams between Glasgow and Renfrew used to enjoy the vista of orderly and clean roadways between the various factories. Within the gates there are about thirty different industries carried on, and it is doubtful if such a hive of varied industries exists anywhere else. There are over 5,000 employees engaged there producing food, furniture, boots and clothing; packing cases are made for the dispatch of the goods; all kinds of tinware containers are made for the goods; wrappers and labels are printed for the making up of the goods; bags and boxes are made for the use of the societies selling the goods over the counter; stationery is produced, printed, and bound for the business of the Wholesale and its members. The engineering department fits up and repairs the machinery, and keeps the electric power and light in order. A well-equipped and well-trained fire brigade protects the factories by constant inspection and ceaseless watchfulness and readiness to answer the automatic alarm installation in every department. Fully skilled and equipped ambulance corps are ever ready to render first aid in the works, in which the most generous safeguards

are in use on all machinery to reduce the risk of accident to a minimum. A private telephone exchange keeps communication open between Shieldhall and the rest of the island. Commodious dining rooms are provided, in which meals are served by the Society's own catering department, whose aim is service and not profit.

BOOT AND SHOE PRODUCTION.

THE Wholesale Society sold more than *two and a half million pairs* of boots and shoes in 1918. That, in the language of our American cousins, is "some trade" at a time when the constantly rising price of boots led the average worker to conclude that purchases should be deferred, unless comfort and respectability made the purchase imperative. There was a time when "a few bundles of slippers" constituted the Wholesale's stock in footwear, but that is long ago. The establishment of the drapery department led to developments in the boot and shoe trade, and as the trade grew the making of boots and shoes was a natural consequence of the selling of boots and shoes. The chief cause of lament among the Wholesale directors and the buyers for the retail societies is that there is such a difference between the quantity sold by the S.C.W.S. and the quantity made, but the difference is being rapidly reduced because of the excellent quality, style, and variety of the Wholesale productions.

The Wholesale's interest in boots and shoes is divided over several establishments—namely, the factory at Shieldhall, the auxiliary factory at Adelphi Street, Glasgow, the tanning and currying department at Shieldhall, and the boot and shoe warehouse.

The factories are two in number—the Shieldhall factory and Parkview factory. The Shieldhall factory originated in the drapery department's building, near the central premises, in 1884, but in 1888 it was transferred to Shieldhall. The factory was opened in January, and in the March following Mr Peter Macfarlane, who is now manager, joined the staff. In 1894 Parkview factory was erected on ground secured at Adelphi Street, Glasgow. It is an auxiliary to the Shieldhall factory, and specialises in footwear for boys and girls and in slippers. It is an important auxiliary, however, which employed 261

persons before the war disorganised the labour supply. In that year the Shieldhall factory employed 1,050 persons, and 135 were employed in the warehouse. When boot and shoe production was first undertaken the output from the factory for the first year averaged 370 pairs per week. In 1913 the total output from the factories averaged 15,160 pairs weekly, or considerably over three-quarters of a million pairs for the year. In 1914 a serious fire in the factory disorganised the production considerably from the month of February, and before the damage done could be restored the war had broken out, leather was commandeered for military purposes, and restrictions of that kind prevailed almost to the end of 1918, so that in the jubilee year the total output had dwindled to about 550,000 pairs. The gradual removal of restrictions on supplies of leather is welcomed, not only by the directors and managers of the S.C.W.S., but by the managers of the retail societies and their members, for during the years in which the factories developed and extended the demand for Shieldhall boots and shoes had grown enormously. Co-operators had acquired a liking for Shieldhall productions because of the excellent wear they gave, because of the finish of the goods, and because of the rapidly extending variety of " fits " that could be obtained from their own factories. A member of the Glasgow Corporation declared one evening at a Co-operative gathering that he had discovered that the best value and satisfaction he could get in boots came from Shieldhall boots, and that the best and most durable repairs he could get done were done by the Co-operative society in his district. His experience was common to most Co-operators, and to that is due the great extent of the Shieldhall factory, which is the largest boot factory in Scotland and the largest factory in Shieldhall. In a normal year no fewer than 80,000 goatskins were required for glacé kid boots and shoes, and 200,000 hides were used, besides more than 300 tons of sole leather. These supplies are obtained from Britain, India, Canada, Africa, America, and some were obtained from Germany before the war.

The boot factory is in the large range of buildings on the left after passing through the gateway in Renfrew Road; and the visitor on entering is simply bewildered by the intricate masses of machinery. All the best firms engaged in the pro-

duction of bootmaking machinery have contributed to the equipment of this factory. The operations are so numerous and are carried out by such a division of labour that one wonders how the old shoemaker of St Crispin's time could sit down at his door and proceed to make a pair of boots. Incidentally it may be mentioned that employees of the Wholesale went through the red struggle at Soissons, the town in which St Crispin and his brother worked at the craft in the third century. The utmost care is taken in the designing of the lasts to suit the numerous tender shapes of the foot. The patterns having been properly prepared, they are passed into the clicking room along with the necessary supplies of leather. The clicking process is the cutting out of the boot tops—including quarters, vamps, toecaps, counters, goloshes, and linings. Much of the work is hand done, because the clicker has to examine the skins and to obviate as much waste as possible. Rougher qualities, however, are clicked by machinery. The various parts required to complete a boot top are put together, and these are sent in gross bundles to the machine room or closing room. The sole leather, it should be added, is cut out by means of dies, shaped with the same consideration for the fact that the Co-operative movement sets out to cover and protect all kinds of feet. In the closing room there are machines of wonderful ingenuity. Some are of the ordinary sewing machine type, some have twin needles in operation, and some make several stitches simultaneously while parts are trimmed off at the same time the stitching is proceeding. Some machines used for button-holing punch the necessary holes in the leather, and stitch the edges at the rate of 6,000 holes a day; while others complete 200 eyelets per minute. From the closing room the boots proceed to the bottoming room where the soles and the uppers are joined. The soles are hammered into the shape of the foot by machinery; the channel for the stitching is cut by machinery. The lasting machines pull the uppers over the inner soles and join the two parts. Welts are sewn on by machinery in thirty seconds; the soles are cemented into position; the soles are stitched to the welts; and the heels are added to the boot. In the finishing room the soles and heels are trimmed at the edges by travelling knives; revolving sand-paper wheels make the edges smooth, and polish the soles and heels; after which the Shieldhall trade

mark is branded on every perfect boot. The next department is the treeing room, where the boots are " treed " to their proper shape and polished ready to wear ; but as the boots have to be sold first, they are boxed, and the Shieldhall boot factory produces its own boxes. The cardboard is cut and stamped to make various sizes ; these are put together, and the boxed boots are then ready for dispatch to the warehouse or to the purchasing society. The leather stock room is a large part of the establishment ; and even in preparing the leather for the operatives the old shoemaker's methods are discarded, for the leather, instead of being hammered on the old-time lapstone, is subjected to treatment, which effects the same purpose, by powerful rollers.

The Wholesale began to do the currying of part of its own leather in 1889, and the tanning factory was established in 1894. Both departments are adjacent to the boot factory. The raw hides are first salted to prevent decay till they reach the tannery. At the tannery they are soaked in water and then in lime pits to eliminate the salt and clean the hides. The lime-pit treatment also loosens the hairs, and the next process is the removal of the hairs and fleshing. The skins are then washed to remove the lime, fat glands, and what is called " lime soap " which is created by the action of the lime on the animal fat. From this stage they are transferred to the actual tanning pits, where the skins are deposited in liquors which are gradually increased in strength till the tanning process is completed and the skin is transformed into leather. It is not yet in the condition required for use, for it is stiff and crusty, and the currying factory's job is to convert this into the material fit for manufacture. The skins are dressed by various processes. The leather hide is " split " to a uniform substance ; and the necessary grain, pliancy, polish, and colour are secured before the leather reaches the clickers in the boot factory. The Wholesale could tan more leather ; but the policy is to prepare only the selected hides that it can use for its own high-class productions, and, as it is, it pits about a third of the hides it requires for the factory.

The warehouse had its origin in the drapery warehouse, and the boot department occupied the portion at the corner of Paterson Street and Wallace Street, Glasgow. It is now

situated at the extreme south end of Dundas Street, where it adjoins several other departments of the S.C.W.S. The building there was purchased in 1897 because it was thought it might be serviceable to the Society. It was plain, though substantial, and eventually the Society's master of works, Mr James Davidson, was instructed to prepare plans for its use as a boot warehouse. Extensive alterations were made to suit the new purpose, and the warehouse was opened with considerable ceremony in March 1902. It has been extended and improved since then to meet the trade, which has grown from £350,000 to £1,330,000 in 1918. The basement is used for the storage of surplus stocks, packing cases, etc. There is a huge packing hall on the ground floor, but here also are the clerical departments, the managers' rooms, and special exhibition showcases, displaying the wide range of goods which the factories produce—from foot wear for the nursery to miners' boots, and, in the opposite direction, to the smartest footwear for ladies or gentlemen. The floors above are set apart for the various grades, heavy and fine, for men, women, and children. The stocks are such as are required in the boot and shoe departments of the retail societies, but they also comprise all kinds of leather for use in the boot repairing departments which most retail societies have established.

THE PRINTING DEPARTMENT.

THE printing department is, in many respects, one of the most interesting of the Shieldhall establishments. The department was inaugurated in 1887, when two small presses were installed in the grocery buildings in Clarence Street, Glasgow, with a staff of less than a dozen. The manager, Mr David Campbell, who is still at its head, was a master of his craft who had also a keen Co-operative enthusiasm, and so he made the department singularly successful from the beginning. In 1889 it was found necessary to transfer the department to "larger and more commodious premises" at Shieldhall, where the work grew so rapidly that extension after extension has had to be made in the premises allocated to the printing and allied trades.

Those allied trades are numerous. Bookbinding had been begun before the department went to Shieldhall. Paper ruling

had also been begun in Glasgow. Bagmaking was commenced in 1889. Lithographic work was undertaken in 1891. A stereo and electrotyping department was opened in 1900. Boxmaking was added in 1903. Mechanical type-setting was also introduced in 1903, by which time the department had also its staff of artists.

The demands upon the department are enormous. Its business is to supply the factories, warehouses, and offices of the S.C.W.S. itself with tons of stationery, millions of labels and wrappers, countless showcards and packing boxes, to say nothing of the thousands of tons of ordinary printed matter for the Society's own business and for the business of the distributive societies; and a walk through the department would convince a visitor that the orders pouring into Shieldhall must be enormous, for the S.C.W.S. has probably one of the biggest printing works in Scotland. It produces the *Scottish Co-operator* every week, which is a fairly big order by itself employing a substantial staff. The Co-operative societies' balance-sheets, published to give members all possible details of the business, are extensive documents containing bewildering masses of figures. These are produced, in most cases, quarterly, and, as much of the type has to be kept standing from quarter to quarter, the amount of material required is enormous and the number of up-to-date printing machines is amazing. Monotype machines are used for setting up the type, and, despite the excellent equipment the department has in this respect, it is one of the busiest at Shieldhall. Societies' rules, programmes for meetings, conferences, concerts, social gatherings, dances, and dinners, bills and tickets for shop windows, reports by committees, committee minutes, price lists (including the Wholesale's weekly list), and checks for members' purchases are among the chief items that count in the way of letterpress.

The multitudinous departments, offices, and shops of the Wholesale and the retail societies require an enormous quantity of account books. In this the printing department does a large business. Books with specially ruled pages are required, and the machines which turn out thousands of large sheets of writing paper ruled in blue, with red columns for money or other figures, arouse the curiosity and interest of most visitors. These sheets are ruled to suit all kinds of books from the ledger or the record

book to the passbook in which the members' purchases at the store are noted ; the sheets are cut to the required size, stitched, and bound to order. There is no account or record book too large or too small, too complicated or too simple, to be produced at Shieldhall.

The bookbinding department is splendidly equipped and efficiently and expeditiously worked. The member's passbook is perhaps the simplest of its productions, but it also turns out books like Congress handbooks, to say nothing of presentation souvenirs bound in the richest of leather, embossed or blocked or tooled. The histories of more than a score of societies have been produced at Shieldhall, and one is always in doubt whether to admire most the accurate work of the compositor, the fine, clear production of the printer, the care and skill of the binder, or the taste of the Shieldhall artists who design the covers.

The productive departments of the Society call upon Shieldhall for wrappers and labels, notably the confectionery, preserve, tobacco, soap, and chemical departments. The litho process is that chiefly used for work of this kind, and in the production of these articles the artists and the lithographers are equally entitled to credit for the excellence attained and maintained. Every facility is given to the staff for the production of first-class work, and the best and latest in materials, plant, and equipment are provided. The Shieldhall works were, we believe, the first in Scotland to use the rotary off-set lithographic machine, which created quite a little revolution in litho work. A drawback in litho-rotary machines had always been the accumulation of water on the stone or plate. By the rotary "off-set" machine the difficulty was overcome. The impression, instead of being transferred from the stone to the paper, is first of all transferred to a rubber cylinder, which transfers it to the paper in much the same way as the cylinder of the ordinary rotary printing machine ; the fine work formerly obtainable only by the litho process is secured, with a clearer impression and greater speed than in earlier rotary litho machines. This is only one example of Shieldhall's pioneering of improvements in methods.

The artists' department is constantly busy, and many new and striking designs originate there. There is no limit to the work of the department, and some great changes have been

made in the class of work turned out. In earlier days the department undertook the execution of printing blocks for the *Scottish Co-operator* and for advertising leaflets when the process block had not attained its popularity and its present-day excellence. Then the picture was drawn on a slab of chalk; the lines were etched out with a tool that resembled an awl with a slightly bent point to which was attached a tube and bulb by means of which the chalk powder scooped out was blown off the surface. The slab then acted as a mould from which the printing block was made, and some of the old illustrations in the *Scottish Co-operator* bear witness to the skill with which the Shieldhall artists did their work. The most attractive of showcards and similar art productions are now designed at Shieldhall, and, within recent years, illumination for complimentary addresses and other articles for presentation has been undertaken with conspicuous success. The designing of the coloured work mentioned is a preliminary to the execution at Shieldhall of some splendid three-colour printing work. The average reader may be at sea as to what this means exactly, but most will have seen specimens of the highly artistic wall calendars issued year after year by the Wholesale Society, in some of which the pictures are the work of Shieldhall artists and in others of which the pictures are the work of artists of national and international repute. The reproduction of all these fine variations of colour by the printing press is one of the supreme tests of a printing department, and Shieldhall can present its specimens to any jury of experts confident of a highly satisfactory verdict.

The boxmaking department, inaugurated in 1903, supplies ordinary pasteboard boxes for use in the Wholesale works and in the retail societies. It has developed into a big branch of the Shieldhall business now, but plain work no longer marks the limit of Shieldhall enterprise. The most artistic work imaginable is now turned out in the form of boxes not merely decoratively printed but exquisitely upholstered in velvet, silk, and satin, and other rich materials. These boxes are meant to contain fancy bottles of perfume and other gift articles.

The paper-bag industry, as carried on at Shieldhall, simply astounds the visitor. The products range from the coarse blue paper or brown paper bags in which sugar, fruit, and heavier

articles are sold over Co-operative counters to the more delicate little bags in which sweets are sold. In fact, every kind of paper bag used in any Co-operative store is produced at Shieldhall. The machinery used is of wonderful capacity. The visitor sees the wheels go round; a large reel of paper feeds the machine; and when the paper emerges at the end of the machine it has been cut into shape, formed into a bag, the joins of the paper in each bag pasted and fixed, and the name and address of the Society for which it is intended printed on the side along with any other advertising matter ordered. In 1914 the S.C.W.S. stationery department sold 900 tons of block-bottom bags and more than 29 million biscuit bags. These were produced at Shieldhall by means of these machines.

The printing department occupies the first large building on the right immediately inside the Shieldhall gate. It constitutes the only part of the Shieldhall front that has been completed and is, naturally, the first department to which a visitor turns when on a trip to Shieldhall; but the work undertaken there, as this brief description may perhaps indicate, is so varied and interesting that many visitors do not get further than the printing department. Every paper and board producing country in the world is tapped for supplies of material, and the manager has frequently explored Northern Europe in search of the best sources of supply. The war affected the department very seriously owing to the restrictions upon paper supplies—restrictions to which the emaciated appearance of every newspaper in the country bore pathetic testimony—and the department was not the only Wholesale department that had to refuse to accept all the orders sent in. Mr Campbell has excellent assistants, and he and the staff must often marvel when they recall that the value of the output of the department in 1888—after a year's trial run—was only £3,200. In the last pre-war year the output was £70,587, and in 1918 it was £142,530. Shieldhall pioneered the forty-eight hours week in the city; and the printing and allied departments employed 340 persons in 1918 when military exigencies had demanded their toll.

THE CLOTHING FACTORIES.

NEXT to the feeding of the Co-operators of Scotland, the clothing of them is the most important function the movement has to perform, and, like everything else it attempts, the S.C.W.S. does this well. The sales in articles of clothing are included in the total recorded to the credit of the drapery warehouse; but the value of the goods produced in the Society's own factories related to the drapery warehouse amounted, in 1918, to £357,464. These factories comprise the artisan clothing, ready-made clothing, bespoke clothing, juvenile clothing, underclothing, wool shirts, dress shirt (including laundry), waterproof, mantle, and hosiery (two) factories; but do not include the tweed and blanket mills or the Taybank jute works. We might, indeed, include the products of the tweed mills, for their products go to the manufacture of clothing, and the enormous resources of the S.C.W.S. in the manufacture of cloth and clothing was one of the most cheerful discoveries the War Office made when hundreds of thousands of soldiers were being drilled in mufti because their uniforms could not be produced fast enough by the firms favoured with the earliest contracts.

The first tailoring factory was inaugurated in 1881, in Dundas Street, Glasgow, where premises were rented. It was eventually transferred to Shieldhall, where it so developed that the original factory is represented by four distinct factories—the ready-made and artisan clothing factories, which occupy the buildings immediately behind the dining rooms at Shieldhall, and the bespoke clothing and juvenile clothing factories which are both situated in Paterson Street, Glasgow. The artisan clothing factory came into being in 1890; the bespoke was separated and transferred to Paterson Street in 1897, and the juvenile factory has only had a separate existence in the accounts of the Society since 1912. All kinds of ready-mades for men's and boys' ordinary wear are produced at Shieldhall; the artisan factory is engaged in the manufacture of working clothing—serge jackets, moleskin trousers, dongarees, working skirts, and similar articles. The juvenile clothing factory has thoroughly established itself, and the output of smart suits for boys—from the everyday school rig-out to the most gorgeous "garb of old Gaul"—is highly satisfactory. The

figures relating to these factories represent only the price for making up, the price of the cloth which is sent from the drapery warehouse not being included in the amount credited to the factory for its output. The bespoke clothing factory is differently conducted; for the garments made there are all made to measure from cloth picked by the wearer. The productions of all the factories are all excellent; some of the most highly placed officials in the movement are admirably clothed by the bespoke department; and the high standard of excellence shown is evidenced by the frequent and important contracts for uniforms—even for high police officials—placed with the Wholesale by public bodies. The bespoke factory accepts and fulfils orders from most of the Co-operative societies in Scotland—or from all that have not tailoring departments of their own. The value of the transfers from the various factories for the year 1918 was:—Ready-made, £40,644; artisan, £12,527; bespoke, £31,458; juvenile, £22,761. The war, naturally, depleted the factories of their workers; but in 1914 when things were normal there were employed in the ready-made 465 workers and 272 machines; artisan, 185 workers and 171 machines; bespoke, 252 workers and 179 machines; and juvenile, 117 workers and 114 machines.

The factories may all be described as nearly ideal. They are large, well ventilated, and well lighted; and every attention is paid to the comfort and convenience of the employees. The machines are all driven by power; and the skill with which the work is done is marvellous. In the ready-made factories the goods are produced in bulk. The designing of the garment and the cutting of the cloth in order to secure style for the wearer and to eliminate waste in the factories are matters that require the application of skill and science. The shapes of the various pieces that go to make a garment are cut in metal, and from that the shape is chalked upon a piece of cloth which is placed upon three or four dozen pieces of the same size. These pieces are placed upon the cutting machine, and a knife cuts through the lot, the "cutter" in charge of the operation having nothing to do but guide the cloth so that the knife will cut where the chalk line is. The various parts are then placed together so that the machinist is saved trouble; and eventually backs, sides, collars, sleeves, pockets, linings, stayings, etc., are

properly stitched. The machines are adapted to various purposes; and the workers all excel at their own operations, whether putting in pockets, making buttonholes, binding, pressing, or braiding. At every stage towards its completion every garment is examined, and if it is not right it is not allowed to pass. The work is done at considerable speed; but the departments all give satisfaction to their customers, even the ready-made departments engaged in the production of women's and girls' clothes.

These factories do not exhaust the clothing factories. The waterproof and oilskin factory is one which has shown considerable enterprise. The making of waterproofs was commenced in 1896 in order to supply not only the S.C.W.S., but the English C.W.S. In 1911, the manufacture of oilskins was commenced, and the work was transferred to its present home in Park Street, Glasgow, in 1913. Mr William Boyd, who is still in charge of the factory, initiated both undertakings. The factory produces ladies' and gents' garments besides covers for vans and lorries, fishing stockings and other waterproof articles; but it is more susceptible, so far as its production of garments is concerned, to the vagaries of fashion which may occasion an abnormal increase, or an abnormal decline in trade for a season. The factory does not only produce the finished articles, but it proofs the material used in making the articles. The light transparent oilskin coats which are sometimes very much in demand are made from Jap silk converted into "oilskin"; and that conversion is effected in this factory, the best linseed oil being used in the process. From the production of one of these garments to the production of a weatherproof lorry cover is a far cry; but the operations of the factory embrace both trades. The articles produced in the factory are highly popular. As many as 50,000 garments have been sent out in a single year; and as an evidence of the progress of the factory, it may be mentioned that in 1912 it only employed 20 persons, but by 1917 these had increased to 109. It should be added, also, that the factory has to its credit a number of important contracts from public bodies.

The mantle factory, established in 1891, is another important branch of the clothing departments of the productive enterprise of the Wholesale. It began in Paisley Road, Glasgow,

was transferred to Wallace Street, then to Shieldhall, but finally got back to the city, where it has found a home in the drapery warehouse buildings in Paterson Street. It has been a useful addition to the business, and it provides employment for about 60 persons, who work under the excellent conditions that prevail throughout the service. Mention must also be made of the blouse-robe factory—one of the latest—which was only getting into working order when the Jubilee year dawned.

The various factories owned by the S.C.W.S. work in harmony with each other and some are closely related. This is specially so with regard to those connected with the clothing trade. Ettrick mill,* for example, spins wool into yarn. Part of the yarn is transferred to the hosiery factories.† Part of it is woven into cloth and sent to the S.C.W.S. clothing factories or sold to the distributive societies. The English Wholesale mills at Batley and Dewsbury are also requisitioned when necessary; and the C.W.S. mills at Bury, where sheetings and linings are produced on 1,000 looms, also provide some of the materials required in the S.C.W.S. factories. The clothing of the Co-operators of Scotland is a big undertaking; but the S.C.W.S. does its part of the job with singular success.

SHIRTS, HOSIERY, AND UNDERCLOTHING.

In the historical section of this volume‡ the origin of the S.C.W.S. shirt factory is set forth, and in this section we are not concerned with its history so much as with the factory and its work. The shirt factory of 1881 was the Wholesale's first venture in production, and like some of the other clothing factories it has been moved about a good deal since its inception. The shirt factory's first habitation was in Dundas Street; from there it was transferred to Wallace Street, then to Shieldhall, and for some years it has been one of the important group of factories located at the south-end of Paterson Street. The factory was engaged not only in the production of shirts but in the production of artisan§ clothing till 1890, and of underclothing till 1901. Now there are two shirt factories—the wool

* See page 406. † See page 386.
‡ See page 119. § See page 379.

shirt factory in Glasgow and the dress shirt factory at Potterhill, Paisley.

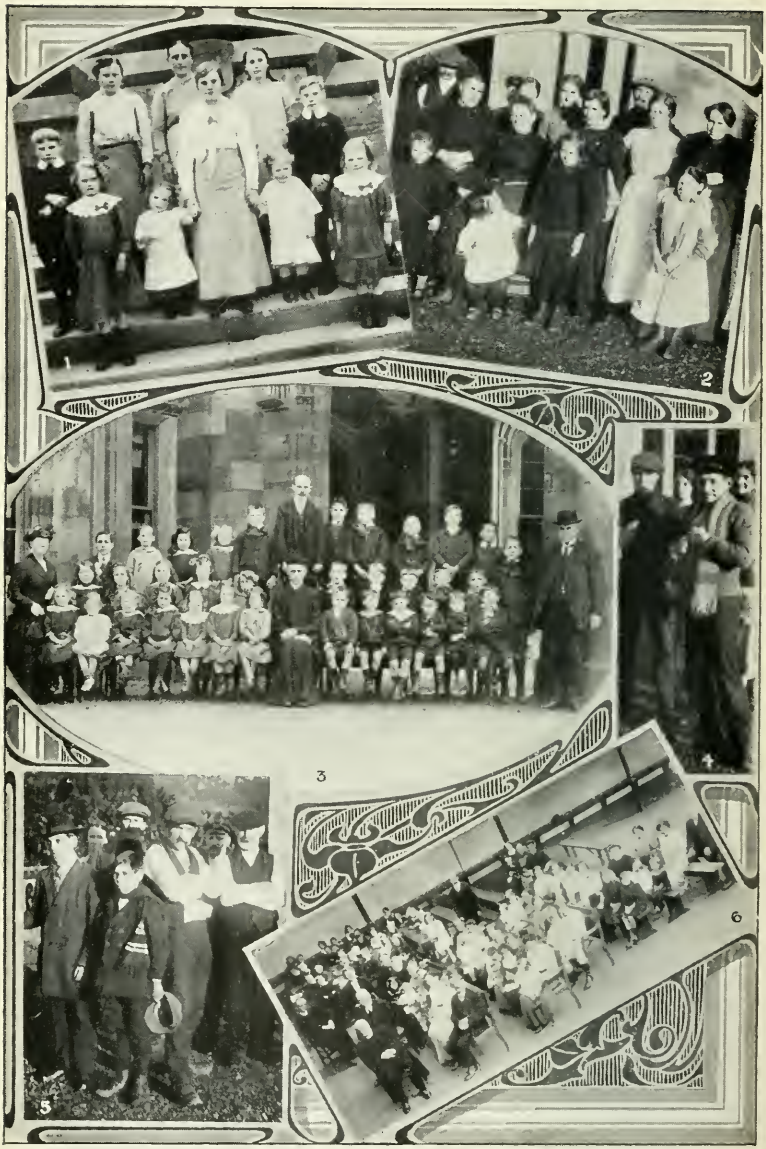
The shirt factories are both regarded as show places by the Wholesale shareholders and by advocates of rational relations between employer and employed. The trade was notoriously a sweated trade, and some shirt manufacturers still sweat their workers. The Trade Boards Acts and the growth of trade unionism among the workers have improved the position of the shirtmakers in general; but the S.C.W.S. began its enterprise before the workers engaged in shirtmaking had these aids. The Wholesale Society reckoned it to be its duty to eliminate sweating from the first; and it is with pride that all associated with the Society recall that the shirt factory began its operations with a recognised forty-four hours week, and began by paying wages which improved the position of the employees above that of the people employed in similar work by other manufacturers. The example of the S.C.W.S. gave a decided stimulus to the demand of the shirtmakers in the country for a better wage all round. Many manufacturers argued that there was no profit in shirtmaking, and that higher wages than prevailed in the sweating factories could not be paid without jeopardising the business; but industrial reformers met this argument by pointing to the S.C.W.S. to show that the supposed impossible was actually being done. The S.C.W.S. has given all its help to the anti-sweating movement, and it has exhibited at various exhibitions organised by the Anti-Sweating League and the Scottish Council for Women's Trades. Its contribution to these exhibitions has usually been to erect a number of shirt-making machines to show the actual conditions under which the girls work.

The methods employed in the factory are much the same as those employed in the clothing factories. The material is cut in bulk by a band knife, and the shirts are built up bit by bit at the various machines, the net output representing three shirts per minute every working day. The shirts range from the blue flannel of the labourer to the fancy wool shirt of the young man about town; and the transfer value of the shirts (exclusive of the value of the 550 miles of cloth used in the year) was £14,373 in 1918. The factory employs about 140 persons; but the number was greater before the war disorganised the labour market.

The dress shirt and collar factory, with which is combined a laundry, is situated at Potterhill, Paisley. The dress shirt factory was originally situated at Leith, on the ground adjoining the Junction mill, where the business was inaugurated in 1901. There was a laundry attached to the factory, so that the dress shirts and collars might be sent out "ready to wear." The situation was not happily chosen, and in 1904, to escape impurities of the atmosphere, the laundry was transferred to Chappelfield, Barrhead. It did not conflict, of course, with the Scottish Co-operative Laundry Association's establishment, which was specially established and equipped to do the laundry work of the Co-operators of Scotland, for the Chappelfield laundry was only utilised for the dressing of the Wholesale's own productions. Even this laundry did not serve the purpose so well as was expected, and in 1908 the Potterhill premises were acquired and adapted for the purpose, and work was commenced there in January 1909. The latest methods of cleansing and dressing the shirts and collars were applied, and the machinery was in some respects quite novel and ingenious. The laundry only occupied part of the building, and this fact, coupled with the consideration of delay and inconvenience owing to the distance between the factory and its related laundry, led to the transfer of the dress shirt and collar factory to Potterhill also, the beginning being made there in 1912. Barrhead Co-operators did not like the transfer of the Wholesale laundry to Paisley, despite the belief that "it is not lost what a friend gets," and an election for a seat on the S.C.W.S. directorate was fought on the issue. Barrhead won; but the laundry was by then at Paisley. Leith Co-operators did not like the transfer of the factory to Paisley; but they were placated by the inauguration of a hosiery factory in the premises vacated by the shirt factory. The factory premises are large, and are well lighted from the roof. The high roof is a desirable feature, and conduces to a better atmosphere than that which pervades most factories under other management. The dress shirt and collar factory, like Ettrick mill, the waterproof factory, and the Taybank jute works, is run in the interests of the English and Scottish Wholesale Societies. It supplies both Federations, and, although managed and financed by the S.C.W.S., the profits or losses are allocated to the two societies

OPENING OF CALDERWOOD CASTLE

BELGIAN REFUGEES AT CALDERWOOD CASTLE



1, 2, 4, 5. Types of Refugees. 3. The Castle School.

6. Prize Day at the School.

in proportion to purchases. The goods produced comprise what are commonly called "white shirts," fancy coloured dress and negligé shirts (except woollen shirts), collars, and cuffs. Much of the material used in the manufacture of these articles comes from the C.W.S. mill at Bury; but it is worthy of note that 99 per cent. of the dress shirts and collars sold by the Wholesale drapery department are taken from the Society's own factory, which, with the laundry, employs 300 persons assisted by 317 up-to-date machines. All the workers required could not be obtained in the district, and stitching centres were established at Auchinleck and Kirkconnel, which have increased the production and have provided employment in districts where the necessary workers were available.

In closing the reference to these shirt factories it may be remarked that the trade is one in which there is keen competition; but the Wholesale prides itself on the fact that it leads the trade in the wages and conditions given to its employees. While that is so, the Society is still willing to improve the lot of the workers, and Co-operators may be interested in a statement once made to the writer by the manager of the drapery warehouse, who is largely responsible for the supervision of the factories allied with the warehouse. He was talking at the time about the custom of selling shirts at such prices as 3/11½, 4/11½, 5/11½, etc., and he said: "If purchasers would pay that extra halfpenny on the shirt, we could afford to pay our workers 10 per cent. more wages." It would mean that a girl who was getting twenty shillings a week then (it was before the war, as the prices quoted suggest) would get two shillings a week or £5, 4s. a year of an increase. If half-a-dozen shirts were required in the course of a year, the extra halfpenny would mean an extra outlay of threepence, and we have often wondered whether people realised that the eagerness to save that threepence per year stood in the way of this 10 per cent. increase to a large number of girls.

The underclothing factory, in Paterson Street, has had a separate financial existence since 1901, up till when its operations were regarded as part of those of the shirt factory. It is also an important part of the S.C.W.S. organisation, and employs about 120 persons, whose work for 1918 represented a transfer value of £15,480. The productions of the department include

ladies' and children's underclothing, blouses, and pinafores. The qualities and make range from those required for everyday wear to the dainty garments reserved for high-days and holidays.

There are two hosiery factories in active operation now, but till 1912 there was only one. The original factory was at 119 Paisley Road, where work was begun in 1886 with a few hand-knitting machines. It now occupies a large building near the coffee essence works at Shieldhall; but in its more modest days it shared that building with the shirt, artisan clothing, and mantle factories. The hand machines gave way to power machines at Shieldhall; the machinery has been kept abreast of the latest inventions, and the result has been continuously increasing production, although the war prices of wool have affected the demand slightly. In 1912 the inauguration of the Leith hosiery factory relieved the pressure at Shieldhall. The manufacture of hose and half-hose was transferred entirely to Leith, and the Shieldhall factory was left to cope with the demands for "broad hosiery"—vests, combinations, pants, etc. The importance of this industry may be judged from the fact that there are 256 machines employed at Shieldhall and 112 at Leith, while the former has found work for 174 employees and the latter for 125. The machinery is a marvel of ingenuity. One machine, for example, makes eight garments at once, each garment 32 inches wide, with 20 needles to each inch of width. This brings 5,120 needles into operation at one time, each of which makes 30 loops of the yarn every minute, or, in all, 153,600 loops per minute. The loops may be transferred from one needle to another, as the garment has to be narrowed or widened, and in such a complicated garment as a lady's seamless vest as many as 2,880 loops may be transferred to different needles in less than a couple of seconds. In the production of stockings, some machines work at the rate of 12,000 stitches per minute. The transfers from Shieldhall for 1918 amounted to £69,421, from Leith to £49,042 for the same year, and much of the wool used in these wonderful establishments is spun at the Society's own mill at Selkirk.

THE CABINET FACTORY.

THE cabinet factory was transferred to Shieldhall in 1888, from which date, it may be said, the Wholesale has taken seriously to the production of furniture. Prior to that there had been a little workshop, staffed by six men, in Houston Street, and that originated the cabinet factory; but the scope of that place was almost insignificant, and it seems almost absurd to regard that as having been a cabinet factory when we view the premises at Shieldhall where there are about 300 employees engaged in the production of useful and ornamental articles for houses, shops, and offices. In 1888 the furniture trade had a serious setback. The City of Glasgow Bank had failed, and we heard Bailie Reid, who has been established at the cabinet factory all the time it has been at Shieldhall, describe once how trying it was to be engaged in the furniture trade at a time like that when the working people of Glasgow were not so much concerned about what furniture they could buy as they were about what furniture they could sell to pay rent and buy food, because of the hardships caused by the bank smash. Shieldhall has always claimed an honoured place among furniture-producing centres; and even in 1888 its productions were highly praised at the Glasgow International Exhibition. Mr William Miller, the manager of the furniture department and cabinet factory, was one of the original six employed at Houston Street. When he was appointed to take charge he was designated "foreman"; but the strides made by the factory and the success it has won are due in no small measure to the artistic taste and patient study of the manager. He was not only a practical man; but a student of the history and methods and achievements of his craft—anyone would admit that much who heard him lecture on woods and furniture. He has seen an interesting evolution at Shieldhall. When he took up duty for the Wholesale, the chief desideratum in the house of the well-to-do Co-operator was a substantial mahogany chest of drawers that would survive several generations; and if the Co-operator was particularly well off a wardrobe was also required. Times changed, however, and the newly wed wanted a parlour suite, and a bedroom suite, and a sideboard; and a dining-room suite came to take the place of the parlour suite.

Mahogany gave place to oak and walnut; but Mr Miller kept telling people that mahogany would have its day again, and he seems to have been proved right already. Whatever changes came in the popular taste, the Shieldhall factory kept pace with them. Presentation cabinets, writing desks, the more recent "escritoire," and bookcases tried the artistic skill of the Shieldhall cabinet factory; and it survived the test. The furniture of the S.C.W.S. boardroom and committee rooms; and of the private rooms of the managers, all furnish unquestionable evidence of the skill of the workers; the substantial character and excellent finish of the productions are in keeping with the professions of the Wholesale itself; and the style of many of the articles manufactured is highly creditable to the designers, one of whom—Mr Alexander Thomson—is already mentioned in the historical section of this volume.* The factory produces articles fit for the drawing-room of the wealthiest or for the kitchen of the poorest as required. The work at Shieldhall is begun on the rawest materials and carried out till the richest polish is shown on the completed article. Huge logs of oak, walnut, and birch may be seen in process of natural seasoning at Shieldhall, for artificial seasoning is rarely satisfactory, and the Wholesale recognises that the best goods cannot be turned out if the material is not right. The logs—whole tree-trunks in some cases—are sawn by power-driven circular saws at Shieldhall as required. The boards are cut according to the plans marked on them; then they are planed, squared to size, dovetailed, or moulded. It is most interesting to see the wood acted upon by machines made up of revolving chisels, which produce almost any design required for which the chisels are adjusted. One length of wood with four flat sides is fastened into a machine; the machine is set in motion; the wood spins round, shavings and sawdust fly, and when the wheels stop the wood inserted a minute before is released in the shape of a beautifully turned leg for a table or chair. Band saws execute the most wonderful shapes in the hardest of wood. Men seem to work at making ornamental pieces of wood till we see these pieces assembled in their proper order, each being found in its proper place in what, when complete, is a handsome piece of furniture. We have seen the upholsterers

* See page 146.

at work here too, not only in upholstering new goods, but in re-upholstering furniture sent in by societies. There is probably nothing that lends itself to fraud so easily as upholstery ; and the furniture faker is one of the worst pests of society, for his fraud cannot be detected till his productions are used for some time. It was only on examining some articles that had been sent to Shieldhall to be re-upholstered that we realised the extent to which faking goes on in the furniture trade. One easy chair, which had probably cost a good part of the savings of some working man, was stripped of its covering, and the Shieldhall men engaged in stripping it simply boiled over when they saw the rubbish with which it had been stuffed, for it contained not only chunks of newspaper but what looked like the sweepings of a stable. At Shieldhall that kind of fraud does not go on. An article may be stuffed with fibre or wool or hair as ordered ; but whichever it is represented to be it is ; and it is all honest stuff free of rubbish. What is true of upholstery is also true of the cabinetmaking ; and the furniture built at Shieldhall is made of solid material and guaranteed to last.

One delightful feature of the cabinet factory is the excellent harmony that prevails throughout the place. The best of good feeling exists everywhere, and there is a bond of the closest sympathy between the operative and the manager. Another fact which impressed us on one of our visits was the ripe age of some of the workers, whose long continued employment was probably due to their not being harried and harassed as workers often are under less human or less sympathetic employers.

The output from the " workshop " for the six months ending in May 1885 only represented £485 in value. Its output at the time of the Shieldhall factory's semi-jubilee in 1913 was £45,000 per year. For the last pre-war year—ending June 1914 —the value of the transfers from the factory was £53,004 ; and for the jubilee year, 1918, it was £55,673. As indicating the varied nature of the products of the factory, it will be interesting to record that in 1914—the last year that can be regarded as normal—the following articles were made :—2,409 tables (dining-room, parlour, etc.), 2,162 kitchen tables, 670 bookcases, 596 hallstands, 747 chiffoniers, 1,358 sets of drawers 274 bedsteads (wood), 751 wardrobes, 366 dressers, 7,162 kitchen chairs, 3,985 kitchen easychairs, 1,180 dining-room suites, and 194 Queen Anne dining-room suites.

THE TINWARE FACTORY.

THE tinware factory is a department of the Wholesale which dates back to 1893, although the factory as it now is dates only from 1913. One has only to think of the endless variety of tins that enter the average house; the variety used in the house, the shop, the dairy, and the workshop to realise the enormous possibilities there are before a factory of this kind. The factory was originally an adjunct of the furniture department, although its accounts were kept separately; and for a number of years the products were simply domestic tinware and dairy utensils. Its first year's output represented £970 in value; and before the factory reached its present proportions the output reached the value of £10,000—as it was in 1913. It then became imperative, from the point of view of co-operative employment and economy, to undertake the manufacture of an enormous number of tins of the smaller commercial kind—for boot polish, health salts, tobacco, custard powder, and other products of S.C.W.S. factories, the tins for which were bought from makers till 1913.

The factory was extended and equipped with the most modern plant, and, under the supervision of Mr J. H. Turnbull—"a master of craft"—it began to produce a large variety of articles not attempted before. The S.C.W.S. is still the largest maker of dairy utensils in Scotland; but that only represents part of the trade of the factory. In 1913, 5,000 gross of boot polish tins were produced at Shieldhall; but as an indication of the growth of the trade it may be stated that in 1917 the number produced was 15,000—evidence, surely, of the strides made by the sundries department, which produces boot polish in competition with lavishly advertised brands, and by the tinware factory, which seems bent on allowing no other concern to do for co-operators what they should be doing for themselves. We cannot go into figures here as to the number of articles of each kind produced at the tinware factory; but we may give figures relating to the tins (of all kinds) made for the Society's own productive works. The number in 1913 was 2,798,924, a year later it was 4,267,744, in 1916 it was 7,120,160, and in 1917 it had mounted to 8,140,000. There was a decrease in the Jubilee year; but that was due to the severe restrictions that had been placed on the manufacture of tinplate goods for ordinary business

purposes in view of the Government's requirements for munitions of war. The enormous increase made during the war years till these restrictions were imposed is evidence of the Wholesale's capacity for securing materials in spite of difficulties and on good terms.

In 1914 the factory inaugurated printing on tinplates—a new industry for the Co-operative movement ; and since then the electro-plating of tin goods has been inaugurated. The latter was not in full-going order when the Society's jubilee was reached ; but everything was in readiness for the production of electro plate racks, toast racks, cigarette cases, table decorations, and similar articles, which were formerly imported from the Continent. The printing and decoration of tinplates has been going ahead ; and the Society's tobacco, health salts, boot polish, and similar articles, are sold in tins that are made, printed, and ornamented at this factory. This does away with labels, and thus saves the cost of paper and the cost of fixing on labels, besides obviating the possibility of labels becoming detached or defaced.

Thousands of pounds' worth of tinplates (plates of iron or mild steel coated with tin) are stored in one of the five flats of the factory. Some of these are plain or decorated. One plate, for instance, may be intended for the lids of tobacco boxes ; and in that case the design that is to appear on the lid appears on one side of the plate a sufficient number of times, and at such carefully measured intervals as to secure that a given number of the lids will be produced and that the design will appear evenly on each.

Organisation plays an enormous part in a factory of this kind ; and the genius for organisation is shown in the machinery as well as in the personnel of the establishment ; for while the work has to be methodically arranged so that the personnel will be fully and regularly occupied, the machines are specially regulated to perform their functions accurately and regularly also. The machines, adjusted for a certain type of tin, can, cylinder, box, or lid, seem to run on with only the human hand or foot to feed them. Take the tin made to hold soft soap—the kind of tin that is opened by prizing up the lid with a coin. The girls at Shieldhall receive the flat tinplates ; these are passed through machines which cut the plate into strips which make the cylinder of the tin, join the ends, stamp out the lids, cut

out the discs that make the bottom, and fix the bottom to the cylinder. So expeditiously is this work carried on that four girls, working in a team together, can turn out fifty gross of these tins per day. It is an interesting experience to watch the evolution from sheets of tinplates to finished tobacco boxes; and one is amazed at the accuracy with which the metal is punched from the sheet, the rough edges trimmed, the box and lid punched into shapes, the wire fixed to form the hinge, and the whole finished article turned out in a few seconds. Fifty boot polish tins, or 40 2-lb. syrup tins, can be produced from the raw metal plate every minute.

Heavier goods, such as miners' lamps, dinner boxes, and tea flasks are also made at Shieldhall, but a good deal of the work is done by hand. This may also be said of milk cans, oil tins, oil drums, and lard drums. The large milk vessels seen on the counters of dairies, tea drums in use in grocery departments, milk transit cans are also made; although they are produced from metal heavier than that used for the health salts tin. On one ramble through the factory the writer was shown a milk transit can in for repair which had been made in the factory to begin with, and had been subjected for fourteen years to the rough handling that these articles usually get from farm servants, railway employees, and the employees of co-operative dairy departments. The making of these articles is in the hands of skilled workmen. Price tickets for provision shop windows, tinplate showcards, some of which are highly ornamental, and a large variety of japanned goods are to be numbered among the products. The electro-plating department will be a big department too; and one may soon see the table in a co-operative café laden with electro teapot, cream jug, sugar basin, toast rack, ashet, dish-cover, and flower-stand produced at the tinware factory at Shieldhall; while in the smokeroom the co-operator will produce, with some little pride, his Shieldhall cigarette case, till some envious non-co-operator begs it for a gift. The operations of the factory are to be extended further; but where the limit will be fixed it would be foolish to predict.

PRODUCTIVE GROCERY DEPARTMENTS.

NEAR the south end of the street on the left when one enters the Shieldhall works large buildings on opposite sides house the preserves, confections, pickles, and chemical departments; and on the west side of the works is the coffee essence works. All these works, with the exception of the chemical department, constitute the productive grocery department. The chemical department had its origin in that group, but it has so developed that it is now under separate management, and is the subject of a descriptive article which appears on subsequent pages.* The preserve works, the first part of this group to be established, dates back to 1890; the confectionery department was added in 1891, the coffee essence in 1892, and the pickles in 1893.

The preserve works are by far the most important section of the productive grocery departments. In 1913, the year before the war, the output from the factory was 2,999 tons of jams, jellies, and marmalade; and 1,748 cwt. of orange, citron, and lemon peel. In 1918, despite the sugar troubles and the difficulty involved in importing fruit, the output reached 5,413 tons of jams, jellies, and marmalade and 1,593 tons of peel. When the reader recollects the difference in the price of sugar and fruit in those two years he will not be surprised to learn that the value of the output rose from £88,919 in 1913 to £385,251 in 1918. Under normal conditions almost every country is tapped for supplies required by this factory. Strawberries from the Clyde valley; rasps from Perthshire; gooseberries from England, Scotland, Ireland, and Holland; damsons, brambles, and green apples chiefly from Ireland; oranges from Seville and Malaga; and plums and hard fruits from the Continent are among the chief raw materials used in the great boiling pans at Shieldhall; and even these are not enough, for the need for preserve works in the East of Scotland is being impressed upon the directors, who, indeed, recognise the need and are taking steps to meet it. Whether the scale be large or small, jam and jelly making processes are much the same everywhere, but the chief desiderata in the ideal jam factory are cleanliness in methods, purity in the materials, and hygienic conditions

* See page 396.

generally, and Shieldhall provides all these. The extreme care with which fruit is selected to begin with, the scrupulousness with which the fruit is cleaned before using, the strict observation kept over every stage of the process at Shieldhall from the arrival of the fruit to the purifying and filling and closing of the pots, all tend to the provision of healthy preserves; and the close supervision of the pans while the boiling is proceeding secures excellent quality, as the increasing demand proves. The production of peel is a big trade. The peel of the average lemon may be taken to weigh about one ounce, so that about one and a half million oranges, lemons, or citrons must be pulled from their stems before Shieldhall can produce the candied peel required to supply the succulent atoms discovered here and there in the cake on the Co-operative table.

The confectionery department is closely allied to the preserve department and it has passed through much the same war vicissitudes, because we cannot have confectionery without sugar. The directors were subjected to some banter when they proposed to inaugurate the confectionery works, one prominent delegate belittling their proposal to make "sweeties." Nevertheless, before the war threw its shadow over the trade the Wholesale was manufacturing 13,717 cwt. of "sweeties," a quantity that went down to 3,439 in 1918. But if the weight went down the price went up, as we all know, and the turnover for 1918 was £24,043, about £500 more than for the pre-war year referred to. In this department, as in the preserve department, cleanliness and purity are the chief characteristics. The boiling house is the principal part of the buildings in use. The visitor sees the sugar go into the boiler, but unless he be privileged with leisure enough to follow it through all its processes he cannot hazard a guess as to the shape in which that sugar will reach the store counter. The variety of confections produced is enormous, and when the variety is complete the department can always contrive an equally bewildering variety of "mixtures." Another interesting department is the pan room, where the great revolving pans attach the sugar coating to almonds and seeds. The machinery used for producing sweets of different shapes is all up to date; and the dainty boxes, fancy tins, and tastefully decorated packets show that the S.C.W.S. is as modern in its packing and making up as in the manufacture of the confectionery.

The pickle factory is devoted to pickles, sauces, and fruit wines. Carefully selected vegetables are used for the pickles, Holland supplying the bulk of them in normal times. The "Co" sauce has largely supplanted another well-known sauce in the Co-operative household. Other sauces, chutneys, ketchups, and vinegars are prepared and bottled. The "temperance" tradition of the Co-operative movement finds expression in the large output of fruit wines. This is, of course, a season's trade, but it has suffered a good deal during the last few years owing to the public indisposition for festivity during the war. The Wholesale produces about sixteen varieties, which it issues in clear bottles or fancy decanters. They are not made from essences, for the Society's chemical and sundries department * produces essences with which the housewife so disposed can make her own wines; and Shieldhall is one of the few establishments where the fruit wines are made from the real fruit, tons upon tons of which have to be obtained in order to meet the Co-operative demand for this cheering but harmless nectar. The total turnover for the pickle factory in 1913 was £11,659, while for 1918 it reached £23,290.

The coffee essence department is located near the brush factory. The factory occupies its original site, but since 1892 it has undergone several extensions. The latest extension was in 1910, when valuable plant was installed. The convenient form in which the essence is supplied, the valuable qualities of the beverage when prepared, and the readiness with which a refreshing cup of coffee can be provided from the Shieldhall extract, all combined to increase the demand for "Shieldhall make," and these extensions more than doubled the original accommodation. The finest coffee beans are used in preparing the essence, and these are roasted in a Waygood-Tupholm roaster which has a capacity of two cwt. After the roasting the beans pass into the cooling pans. Two large milling machines are used to grind the beans, and these machines are fitted with appliances so that the presence of foreign bodies among the beans will be detected, and they will be prevented from getting into the grinding apparatus. The ground coffee, leaving the milling machine, undergoes a process of percolation, and the resulting liquor passes into large vacuum pans, where it is boiled

* See page 396.

in such a manner as to retain the full strength and the delicious flavour of the natural coffee. There are five such vacuum pans, and one of these has a boiling capacity of 300 gallons per hour. The essence is afterwards filled into 5 oz. and 10 oz. bottles, all of which are neatly finished, ticketed, and packed on the premises. A year's output, before the extensions were completed, ran into about 40,000 dozen 5 oz. bottles and about 20,000 dozen 10 oz. bottles, some of which went to supply Co-operative societies in England. But now the output runs into 140,000 dozen bottles. Besides the bottled essence, the factory also prepares tinned "coffee and milk," and the S.C.W.S. brand is the finest brand of this preparation on the market. The same department undertakes the manufacture of malt extract, which has come to be highly valued for its nutritive and health-building properties, and a fair business is also done in bottling home and foreign honey. The workers perform their duties under excellent conditions. There is no crowding; the place is kept in scrupulous condition; the plant is such as to obviate the unpleasantness usually associated with such manufactures elsewhere; and the factory does credit to the Scottish Wholesale.

THE CHEMICAL AND SUNDRIES DEPARTMENT.

It may be due to the development of aesthetic taste on the part of people who prefer a neat and artistic packet to a paper "poke," to the desire of shop salesmen to save time, or to the vigorous advertising of specialities by manufacturers; but the last twenty years have witnessed a great demand for and a great sale of goods made up in packet form. It was to meet this demand that the "chemical sundries packing department" of the S.C.W.S. grocery productive section of Shieldhall works was inaugurated in 1892, under the direction of the manager of the productive grocery. The first work the department engaged in was the packing of corn flour and semolina; but the department grew and it now packs and produces hundreds of different articles of everyday use. In fact, it grew so rapidly that it became a separate department which, like the Co-operative movement itself, can almost claim that it knows no frontiers, and Mr Alexander Gebbie, the manager of the chemical and sundries

department, presides over one of the most remarkable establishments connected with the Wholesale.

The productions of the department affect (1) the home, (2) the person, (3) food, and (4) the health; and the most important section of the department, which is concerned with almost all the products, is the laboratory. The laboratory need not be described here, for the description would interest few but those acquainted with chemistry; but it may be claimed that it is one of the most admirably equipped laboratories in Scotland, and it attracts chemists from all parts of the country, who are desirous of getting hints as to the internal economy of a model laboratory. To the laboratory all sorts of articles are sent by other departments of the S.C.W.S. for analysis, so as to ensure that goods the Wholesale produces and goods the Wholesale purchases come up to the invoiced and required state of purity, and conform to the standards fixed by Food and Drug Acts, and to ascertain their approximate commercial value. The laboratory is also utilised to secure proper standardisation of the goods produced in the chemical and sundries department itself. Here, too, is carried on an enormous amount of experimental work and research, with a view to the extension of the manufacturing enterprises of the department; and a staff of qualified chemists are constantly engaged in perfecting combinations of ingredients of all sorts in order to produce something of value to the Co-operative household.

The packing department is useful to the whole movement; but although its methods are excellent, this part of the department is engaged in the simple operations of weighing or measuring goods into packets, tins, boxes, or bottles; and only neatness, smartness, and accuracy is required. It is in the manufactures it produces that the greatest interest is aroused in this department. These manufactures comprise almost everything required to improve the appearance of the home and to secure its cleanliness and immunity from trouble. Brass polish brightens the home, furniture polish beautifies and preserves the furniture; grate polish gives the fireplace a hospitable lustre; floor polish (which combines eucalyptus and camphor) preserves the linoleum and disinfects the house; bathbrick powder, benzine, black lacquer and enamel, furniture stain, bleachers, disinfectants, laundry blues and cleansers,

starch and starch gloss have all their own place in the economy of the well-ordered household, and these things are all produced at Shieldhall.

The department is equally solicitous for the person. Hair dressings and brilliantine, toilet cream and toilet paraffin, camphorated chalk and tooth powder, shaving cream and bay rum, toilet powder, and other aids to beauty are all manufactured with a bewildering amount of grinding, mixing, blending, brewing, and distilling. Few commodities are so lavishly advertised as certain brands of boot polish; nevertheless, Shieldhall turns out about two tons per week—half a million tins per year—of boot polish, which, regarded as a polish, a preservative, or a lubricant, is the best boot polish that has come the way of the writer, who has experimented with all the best advertised brands. Reference to distilling reminds us that this department brings the S.C.W.S. into direct contact with more parts of the world than almost any other department. The distilling of perfume at Shieldhall conjures up visions of the great flower farms of Southern France, with their gorgeous profusion of roses, jonquils, violets, orange flowers, wallflowers, jasmine, and lilies, cultivated solely because of their bewitching odours. These odours are extracted from them by the leaves being placed in juxtaposition with certain fats for which they have a strong affinity. The scent-laden pomade so produced is dispatched to perfume distillers all over the world, whose business it is to compel the fats to yield their cargo of scent to the highly rectified spirits which retain it in bottles till its subtleness is diffused in the atmosphere of the ballroom or, it may be, of the Co-operator's parlour. The liquid perfumes thus obtained are blended to produce a multitudinous variety of bouquets; and from the fact that a hundredweight of rose leaves will produce an ounce of otto of roses, one may calculate the extent of the garden required to provide the thousands of bottles sold annually from this factory, which is in such close proximity to the odoriferous Clyde.

Under the heading of foods the department produces nearly a hundred different articles calculated to save time and to ensure satisfaction. The Co-operator's wife, who uses Shieldhall self-raising flour, baking powder, cake mixtures, table jellies and fruit moulds, has revolutionised her husband's

ideas of her skill as a baker. As compared with the old days when she mixed her own ingredients—and often mixed them wrong—she now buys her packet, adds milk or water, and follows the directions on the packet; and the husband who goes home to scoff enjoys his tea. Spices are prepared at Shieldhall for the fleshing and baking departments of the Co-operative societies and for household use. Much of the raw spice comes to Shieldhall from Ceylon, whence it is dispatched by the S.C.W.S. staff there. A little spice goes a long way; but more than 100 tons are sold from here every year. The various spices used are received in their natural condition; and they are mixed, ground, and packed—nearly two million packets per year being sent out. Flavouring essences, and essences for making fruit wines and meat extracts, are also produced in abundance.

About one hundred different articles are produced in the interests of health. Huge vacuum stills are utilised for the preparation of malt and cod liver oil extracts, cascara sagrada, and similar preparations. Shieldhall cod liver oil emulsion has very largely superseded other makes which formerly found place in the Co-operative cupboard; and that also may be said of Shieldhall chemical food and a large number of articles made to supplant those formerly controlled by the Proprietary Articles Trade Association, which, like some of the soap manufacturers, attempted to impose conditions regarding the selling price of certain goods. The S.C.W.S. regarded the imposition of these conditions as an attempt to dictate how the Co-operative business was to be carried on, and what Co-operators should do with their profits; and Shieldhall chemical department has provided an effective means of showing that resentment.

The latest addition to the enterprise of the department has been the development of a horticultural section which was called into being by the allotment system, inaugurated as a war emergency. The plotholder has come to stay, and this department seems likely to encourage him. The department imports seeds, bulbs, and roots; but it is already cultivating seeds, and so branching out in a new direction. The catalogue issued by the horticultural section of the department is a remarkable document, which lists seeds for all sorts of flowers and

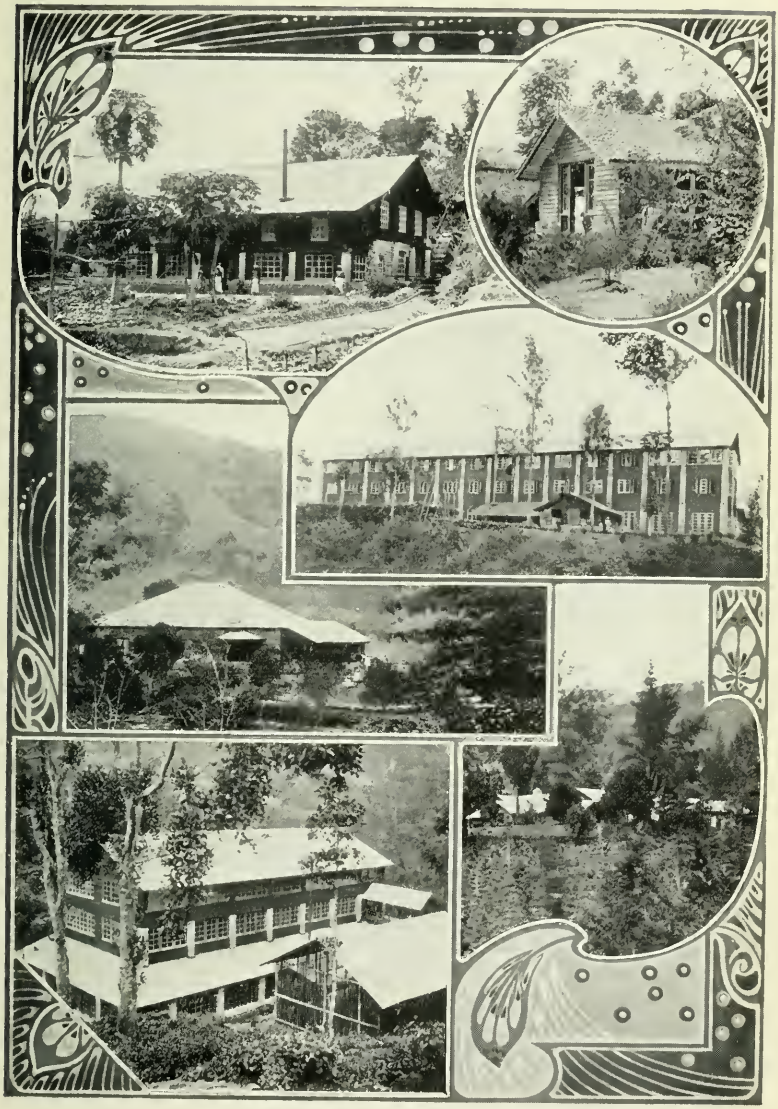
vegetables, besides roots, bulbs, bushes, and plants, all of which are proved to be of a high fertility, as has been demonstrated by the success of their users at local shows.

The chemical and sundries department is constantly growing very large, because its chemists are always discovering formulae for new products; and its enterprises have only been limited in recent years by the need for more extensive accommodation and the difficulties imposed by the war, not only upon the raw materials for the new productions, but upon the supply of bottles and tins required to contain the goods. It is impossible here to enumerate all the articles produced. Some idea of the output may be gathered from the fact that the sales for one year alone comprised 50,000 bottles of chemical food; 42,400 bottles of cascara sagrada; 70,000 bottles of cod liver oil emulsion; 138,000 jars of extract of malt; 216,000 bottles of castor oil; 600,000 tins of liquid metal polish; a million tins of grate polish; 110,000 jars of furniture polish; 540,000 packets of table jellies—but why proceed? The department used 1½ million bottles that year, and about 4 million tins, the tins being made in the Society's tinware factory close at hand. The jump in trade from £54,706 in 1908 to £209,494 in 1918 indicates roughly the trend of developments in a department which is a "surprise packet" to visitors to Shieldhall. The employees number about 300. The girls are supplied with two sets of uniform, which are washed at the Co-operative laundry at Barrhead, and a woman is retained specially to keep these garments in repair.

TOBACCOS AND CIGARETTES.

The popularity of the pipe of peace is remarkable among Co-operators, and consequently there is a healthy Co-operative trade in all forms of "the weed." The Society was not content to sell the productions of other manufacturers, and a factory was established at Shieldhall in 1891. When the tobacco trade of the S.C.W.S. is measured by the amount of trade transferred by societies from private manufacturers to the Shieldhall factory year by year there is considerable reason for satisfaction. There are some societies which stock nothing but Shieldhall productions. In some branches of the trade Shieldhall has established a

TEA PRODUCTION



TEA ESTATES OF THE E. & S. C.W.S.

1. Weliganga Factory.
2. Weliganga Bungalow.
3. Factory at Mahavilla.
4. Bungalow at Mahavilla.
5. Factory at Nugawella.
6. Bungalow at Nugawella.

TEA PRODUCTION

VIEWS ON THE TEA ESTATES

1. At Work in the Gardens.
2. Weliganga Tea Estate.
3. Bridge across the River Mahawellaganga.
4. View from Mahavilla Bungalow.

reputation which has been highly creditable. In many centres where there are big works the Co-operative stores do a fairly substantial trade in tobacco with people who are not members of societies, but who appreciate a good smoke and who prefer Shieldhall tobacco to any other. In the supply of the democratic thick black the Wholesale has established its superiority over its opponents. In the supply of bars, plugs, flakes, cut tobacco, and mixtures it is rapidly establishing a similar superiority. The Wholesale has now set itself to cater for the cigarette-smoking multitude, and it is experimenting with prospects of considerable success in the production of the raw material itself. All this means much to the Co-operators who worship at the shrine of My Lady Nicotine, for the ramifications of the Tobacco Trust have had the same effect as the ramifications of most capitalist combines. They have squeezed a number of firms out of existence and have affected the consumer unfavourably, and would continue to do so to a greater degree as they extended. The S.C.W.S., acting in the interests of the consumer, keeps outside the Trust, and notwithstanding the magnitude of that combination the Wholesale has been selling its tobacco to societies cheaper than other makers could—or would—and so it has benefited the consumer, either in retail price or in dividend.

The factory at Shieldhall, several times extended till it has more than doubled its original size, reached a total output of 1,095,286 lbs. in 1914. Despite increased prices the production went up to 1,131,000 in 1917 ; but the scarcity of leaf, particularly for the popular and more " democratic " classes of tobacco, was very acute all over the country in 1918 and the quantity manufactured at Shieldhall fell to 1,024,700 lbs. in that year. It is worthy of note, however, that the introduction of machinery for cigarette making had an excellent effect on the trade, and in 1918 23,905,100 cigarettes were produced, this being an increase of 56·37 per cent. on the 1917 output.

The raw material reaches Shieldhall in hogsheads of 1,200 lbs. It is conveyed to the top flat of the factory, where it is tested for the natural amount of moisture it contains. The tobacco is carefully selected in the leaf room and is blended and moistened to the standard allowed by the Government. The spinning of the tobacco leaves into long ropes by machinery

and the rolling of other grades into the same form by hand are interesting processes. Fancy tobaccos, for cakes and plugs, are moulded and pressed in hydraulic presses. Black roll tobacco is oiled and baked and then put into the press till properly matured. There are machines for cutting flake tobaccos and those intended for mixtures, and, these processes carried out, these dearer qualities are put up in artistically designed tins and packages, which are also made at Shieldhall, either in the tinware department or the printing department. There are four thicknesses of black roll, apart from Target black and chewing twist ; and there are similar variations in brown roll, besides Virginian roll, Virginian and black carrottes, about a dozen different plugs and cakes, as many mixtures and shags, and eight flake tobaccos. Snuff is also made.

The factory does not manufacture cigars. Till 1916 cigarettes were made by hand, and that is still continued, but in that year the factory made an effort to cater more largely for the Co-operative cigarette smoker and laid down machinery for the purpose. One of the machines laid down was capable of producing 300 cigarettes per minute. A variety of new brands in the popular packets of ten or twenty supplemented the supply of the older brands, which were chiefly sold by weight. The quality of the new brands left nothing to be desired. No finer tobacco is used than is found in the special straight cut Virginias, which are put up in quarter-pound boxes ; the S.C.W.S. Virginias, sold in boxes of fifty ; or Shieldhall Virginias, in cartons of twenty. The S.C.W.S. gold flake (mild and medium) is one of the new brands sold in tens ; the Adana, quite a delightful Turkish cigarette, is put up in the same popular form ; and the Kanata, also in tens, has already established itself. Other brands will be on the market soon. Bigger developments are promised in the trade, because the S.C.W.S. is producing a larger proportion of the tobacco and cigarettes sold by societies year by year, and the increasing membership of the societies creates a fresh demand. Since its establishment the tobacco factory has only had two managers—Mr Thomas Harkness, trained in a Glasgow factory, was the first ; and on his retirement in 1915 he was succeeded by his assistant, Mr James Cuthbert.

MECHANICAL, ELECTRICAL, AND MOTOR ENGINEERING.

THE engineering departments of the S.C.W.S., combined under the care of Mr James Stewart, are further witnesses to the determination of the Co-operative movement to eliminate the middlemen wherever possible. The mechanical engineering department was commenced in 1892, so that the Society's own employees might be directly entrusted with work formerly undertaken by engineering contractors. In 1901 it was thought desirable to separate the electrical department from the mechanical engineering department, but in 1911, as the two departments were so co-related, it was thought desirable to co-ordinate them once more, and motor engineering was commenced in the same year. The departments have establishments at Glasgow (Houston Place) and Shieldhall.

The work undertaken at first was comparatively simple, consisting chiefly of the execution of repairs and slight alterations on the machinery in the S.C.W.S. factories. The electrical department grew up with the engineering, and the motor department was a natural development consequent on the extensive use of motor vehicles in the Co-operative service. The operations of these departments are now fairly extensive, and they find employment in a normal year for about 135 men and apprentices, whose work represents an annual value of about £70,000. The shafting in a large number of the factories has been put up by the mechanical engineering department, which has also erected the engines. It has fitted up the whole of the complicated machinery in the soap works, aerated water factories, dress shirt factory, and laundry; put in hoists and boilers; erected a sawmill at the cabinet factory; installed stone-cutting machinery for the building department; and installed heating and power plant in several of the Wholesale establishments. For retail societies it has done similar work, including the erection of bakery machinery and boot repairing machinery. The electrical department has carried through the entire electrical installation for power and light at Shieldhall, at other factories, and at the central premises, where extensive fittings have been necessary. It has also erected all the fittings

for the fire-alarm system at all the Wholesale establishments. At Ettrick mill it carried out the entire change to electric light and electric power, and has erected turbines and generators there.

The motor engineering department is a specially interesting development. The cartwright department* builds the bodies for motor vehicles for the Wholesale Society and to the order of retail societies. The machines for these are built at the motor engineering works, and this is a department that is likely to grow. The war disorganised the work there very considerably, but that disorganisation is not likely to last very long. The Society's "Unitas" make of vehicle is already well known in the movement. A year's output from the motor engineering department has comprised sixteen vehicles from a 30 cwt. lorry to a 3 ton bread van. Besides constructing these vehicles, the department executes all kinds of repairs on motors.

The engineering department is a refutation of the calumny that the abolition of competition would mean the end of initiative, for frequently the directors have rewarded members of the engineering staffs for inventions and improvements they have reached. What usually happens in connection with the pursuit of research and experiment in such matters is that the Wholesale allows its employees the fullest scope for pursuing their experiments, time and material are put at their disposal, the inventor's rights are fully protected, and, if any discovery is likely to be of advantage to the Wholesale, the inventor is suitably rewarded.

BRUSH FACTORY AND COOPERAGE.

A BUSY little hive of industry is the Shieldhall brush factory, situated nearly opposite the tobacco factory, and separated from the latter by a gracefully laid out plot of greenery. The brush factory and the cooperage are adjuncts of the furniture department and are under the same general management. The brush factory was established in 1890, and its productions for the first twelve months amounted to £3,806 in value. The trade of the department has been developed considerably since then. An almost endless variety of brushes is produced to meet

* See page 417.

all conceivable needs—from the heavy brushes used for sweeping shop fronts to the ornamental brushes used for tidying the parlour hearth. The industry was one that was subject to a good deal of keen competition; nevertheless, under normal conditions, the factory made considerable headway. At first only the commonest varieties of brushes were made at Shieldhall, but some of the neatest and most artistically finished brushes are now produced. There is a considerable demand for boot brushes, scrubbers, and brooms, which are used in every household. The raw materials were imported, before the war, from Russia, Germany, and China, and consisted chiefly of bristles, boar hair, horse hair, and fibre. The wood backs for the brushes are also made at Shieldhall; and one delegate at a Wholesale meeting objected to the sale of trees at Calderwood when these, which were of no use for the manufacture of furniture, might at least (he said) be used for making backs and handles for "besoms." The cutting of the backs into proper shape and the drilling of the holes are operations performed by machinery, but the filling of the holes with hair or fibre is a process performed by hand.

The various articles produced in the brush factory have always been highly commended at exhibitions at which they were shown, and there is room for considerable extension of the enterprise. Tubs are a speciality of the cooperage. In 1913 the quantity of brushes made in the factory exceeded 21,000, but, for various reasons, the production decreased during the disturbing war period. The brush factory and the cooperage combined employ forty-two persons.

THE FIRE BRIGADE.

THE fire-fiend could work sad destruction in the Wholesale if allowed to go unleashed. The Society has had lessons in the destructive outbreaks at Morrison Street, Dundee, the Shieldhall boot factory, and the cabinet factory. Accidents are unavoidable—they would not be accidents if they were not—but every possible precaution is taken to prevent any outbreak of fire. Smoking in any of the business premises or factories is not allowed, except in some parts of the buildings (dining rooms, *e.g.*), where special smoke-room accommodation is

provided. The use of electric light renders the prospect of fire less serious than in gas-lit buildings where lights have to be struck. Throughout the Wholesale properties the May-Oatway alarm system and the sprinkler system are installed, and everything is introduced which lowers the fire insurance premium. Besides these automatic appliances, the buildings are closely watched night and day—a precaution against burglary as well as against fire. At Shieldhall, where so much is at stake, there is a fully trained fire brigade under a competent firemaster. The members of the brigade go through regular drill; they reside in houses owned by the Society adjoining the works; and they are available at any hour of the day or night. The fire station is equipped with the latest appliances, including a splendid motor fire-engine, which can convey the brigade to any part of the works in about three minutes from the sounding of the alarm. There is an emergency tank which holds 30,000 gallons of water which can be pumped on to a blaze; and, when the fires at the boot factory and cabinet factory took place, the city fire brigade found, on arrival, that the works brigade were acting as efficiently as the municipal brigade could have done. Every workshop, factory, office, and warehouse is fully provided with the most effective extinguishers which are available in almost every part of every floor; and there are trained brigades at the mills and other large establishments. The brigades undertake the duty of inspecting all the appliances installed in the Wholesale premises for the prevention of fire, and this inspection and the tests involved constitute an additional safeguard to Wholesale property.

WOOL SPINNING AND WEAVING.

Ettrick Tweed Mill, at Selkirk, was the property of the Scottish Tweed Manufacturing Society for about six years, that society having purchased it from an earlier owner. Almost the entire productions of the mill were purchased from the society by the S.C.W.S., and, after considerably protracted negotiations, the Wholesale Society purchased the mill. The Tweed Society had not been able to keep the whole mill going, and portions of it were leased to weaving tenants and other portions to spinning tenants. The occupancy of the weaving tenants terminated

when the Wholesale became the owners in April 1896, the existing plant was replaced by up-to-date machinery, and the whole of the weaving space was utilised for co-operative purposes exclusively. The productions were entirely tweeds for which Scottish societies could offer fair orders. The English Wholesale Society undertook the sale of the productions among the societies in England ; and the mill continues to provide part of the requirements of both Wholesale federations. Two years after the Wholesale became the owners it was decided to go in for blanket weaving, but the blanket trade is so keenly cut that, in the words of an expert, it will not stand two profits—one to the spinner and one to the weaver. So the Wholesale decided to do its own spinning ; the spinning tenants got notice that their leases would terminate ; and the whole property came to be utilised for co-operative production, the spinning of the yarn for tweed following the spinning of blanket yarn. The way to success was not a path of roses. It seldom is. Difficulties beset the Wholesale. Frequent changes in the management proved one prolific source of trouble. Some of the managers had a good deal to commend them ; but they lacked something, and that something usually meant a loss to the mill. Up till March 1914 the losses incurred had amounted to about £15,000. The advent of the present manager, Mr J. H. Oldfield, effected a happy transformation. Mr Oldfield is able to produce the goods required at better prices than competitors ; he can command the respect of the employees and directors alike ; he is running the mill no longer at a loss ; and he has paved the way for a big and new trade development. His job is "to keep the co-operators in clothes," and he does it.

The mill is a wonderful hive of industry, which is not so well known to co-operators as some of the other S.C.W.S. works, because it is so far removed from the centre of Wholesale activities ; but it is in the heart of the tweed district ; and few, therefore, have any idea of its magnitude or of the excellence of its equipment.

The wool stores department takes us to the beginning of the varied processes in operation there daily. There bales upon bales of raw wool are stored ready for the operatives to handle. Much of it is collected from sheep farms in the British Isles ; but tons of it come from Australia, New Zealand, South Africa,

the East Indies, and China. Each class of wool has its own purpose. One goes for shirtings, another for Cheviot suitings, another for serviceable imitation Harris tweeds : several classes are blended for blankets and other finished articles ; but those huge stores packed, in some apartments, from floor to ceiling, show how far afield the Wholesale goes for its supplies of raw material. Expert fingers prepare the various classes of wool for the processes that are necessary. An essential process is the scouring of the wool, which cleanses the material of all foreign matter. The wool, in the process in operation at Ettrick mill, is fed into a travelling band which carries it into a tank of purifying liquid, and it is caught up and pressed between rollers into another tank till the cleansed wool passes into a hot dryer. The willeying machine teases out the wool and discharges it in snowlike showers of soft fluff ready for the carding machines. Each carding machine, a masterpiece of inventive genius, feeds itself with the fluff which it opens and blends, mixing the fibres until the wool emerges in a sheet to be treated in the combing machines, which discharge the wool in narrow slivers which the condensing machines convert into soft ropes of wool—known as rovings—so as to be ready for the spinning machines.

The spinning machines fill an enormous flat. Rows upon rows of spindles work together, and each machine performs a number of separate automatic operations which arouse wonder. One tuft of the rovings is pulled off the supply that feeds a spindle. The quantity is automatically regulated. When the tuft has been taken, the spindle revolves slowly, putting a slight twist on the wool ; an automatic extension of the carriage of the machine takes place which lengthens the wool ; the speed of the spindle automatically increases at the same time, and thereby the wool is twisted still more till the requisite degree of fineness is attained ; another automatic action sends part of the machine back to take a fresh supply of wool, while, simultaneously, the spindle winds the finished yarn on the conical tube—" cop," they call it in the mill—which goes to the loom. Several hundreds of spindles are operating in this fashion at the same time ; so that the machinery required for this process may well be regarded as extensive.

The weaving departments are extensive. At Ettrick there are blanket looms, serge looms, tweed looms, and shirting

looms in use. The work of the mill is not at an end when the piece leaves the loom. Every piece of cloth and every blanket is subjected to a strict inspection with an eye to the detection of knotted or broken threads or other possible flaws which might arise from processes so complicated. The last processes finish the goods for the market. The piece is first cleansed of grease and other matter that it may have accumulated in the weaving and subsequent handling. Some pieces have to be dyed ; all have to be milled ; and the character of the cloth required regulates the remaining processes—including shrinking—which give Ettrick productions the feel and appearance which, with their durability, are rapidly popularising them among co-operators.

We have seen a range of goods produced there. It comprised almost all kinds of Scotch tweed ; it represented the Bradford serge trade ; the Huddersfield " Westend " trade ; and several other trades in which mills specialise. Scotland has usually shown a strong prejudice against what is known as shoddy. The word is often used to denote rubbishy cloth ; but in the trade it means cloth made from cloth that has been worn and not direct from wool. The cloth is torn into rags and shredded into wool, respun, and rewoven. The suit looks well, though it may not last so long as a suit made from new wool ; and it costs less. It has an extensive vogue among stylishly dressed young men. The S.C.W.S. has installed rag-pulling machinery, and is developing that trade at Ettrick mill. Whether the S.C.W.S. made the cloth or not it could be asked for and got by co-operators ; and so the Wholesale is no longer willing to lose that trade. Another development, hindered by the war, was the equipment of an up-to-date dye-house, and Ettrick mill will do all its own dyeing in the near future. The war seriously affected the supply of labour available for the mill, and the number of employees, formerly over 200, was reduced to 130 owing to military exigencies. When Mr J. H. Oldfield took over the management of the mill its turnover was something like £30,000 ; but for the jubilee year the turnover was £122,890. Prices were higher, of course, but the amount of work done had also enormously increased.

Even during the war period improvements were effected in the mill. Steam engines were completely discarded. All the

machinery is now run by electric motors; the mill is lighted by electricity; and the Society generates its own electricity by water turbines.

The Ayrshire blanket mill, overlooking the Burnawn at Galston, was acquired in 1913 from the then proprietors. It was only one of many blanket weaving mills in the district, and the local blanket industry was developed because Galston was an old handloom weaving centre, whose people took to the loom as naturally as Motherwell people take to the steel and iron works. The Galston mill is not the sort of place the S.C.W.S. would have built for itself, and when it became the property of the Wholesale a great deal had to be done to provide the workers with the same conveniences that the workers in other S.C.W.S. establishments enjoyed. Besides, considerable improvements had to be effected in the plant and machinery. The processes in operation at Galston are similar to those in operation at Selkirk which have already been described, and the raw material, which is the wool as it leaves the sheep's back, emerges in the shape of substantial, well-made blankets. Mr William Allan, the manager of the mill, was manager during the regime of the late proprietors, and now has control of about fifty employees engaged in tending the plant which scours, teases, cards, spins, warps, and weaves the wool into the finished article. The capacity of the mill is about 600 pairs of blankets per week; but a considerable part of the plant at Ettrick mill is also used for blankets. In 1918 the output from Galston was about 24,000 pairs, the transfer value of which was £34,649, which, of course, does not include the value of blankets produced at Ettrick mill.

THE JUTE MILLS.

THE Co-operative requirements in jute and articles made from jute keep growing rapidly, and when, in 1917, the S.C.W.S. had the opportunity of acquiring a good-going jute mill at Dundee the opportunity was seized readily. Dundee came into importance as a jute centre in the early part of the nineteenth century. Prior to that Dundee throve upon linen, but in 1822 a failure in the flax crops caused prices to rise to such an extent that flax-spinning was rendered unprofitable and costly. The East Indian

company had been exporting jute to England in small quantities, but nobody showed much interest in the new fibre till the Dundee spinners thought it might perhaps keep their plant going till the flax supplies brought the linen trade to its normal condition. The goods produced were coarse sackings, but gradual improvement in plant brought into the market goods adapted to a variety of useful purposes, and so Dundee made headway. The raw material usually arrived at Liverpool or London, but, gradually, shipments were made direct to Dundee. How the trade has grown may best be indicated by the fact that in 1849 the imports of raw jute at Dundee amounted to 8,176 tons; whereas in 1913, the last pre-war year, the imports were 217,478 tons, amounting in value to £5,697,827. No fewer than eighty jute mills are found in Dundee, and these employ thousands of persons, no fewer than 30,000 being women and girls.

The Taybank mills, which the Wholesale Society owns, was purchased as a going concern from Messrs A. J. Brough & Co. in April 1917. It was an old-established mill employing about 300 persons before the war, and at the end of 1917 it had 330 employees. It occupies a convenient position on the Arbroath Road, and the buildings and plant were in good condition when the purchase was made. When the works were taken over by the S.C.W.S., the experienced operatives, the experienced clerical staff, and the manager and heads of departments readily accepted service under the new owners of the works. A great social gathering of the employees was held, at which the directors of the Wholesale were present, and the nature of the change was explained, the objects of the Wholesale were outlined, and there were mutual expressions of pleasure and pledges of co-operation by the directors and the employees.

Contracts which the works had on hand had to be carried out by the Wholesale, and a considerable part of the work at the time of purchase consisted of Government jobs. As these were worked off, the mills turned more to Co-operative contracts. The capacity of the mill was greater then than was required by the movement, even including the requirements of the C.W.S., for which Taybank is also catering; but it has to be remembered that the mill was purchased while the whole trade of the country was disorganised by war, and many co-operative enterprises were suffering from restrictions of one kind or another. Besides,

many societies—including the Wholesale—had already goods on order that could have been produced at the Wholesale's mill; and that trade could not be obtained till these contracts placed with outside mills were completed.

The chief products of Taybank consist of plain Hessians, twilled Hessians, bleached Hessians, tarpauling, sacking, etc. The enormous carrying trade of the co-operative societies, the enormous sales of flour and meal from the S.C.W.S. mills, the huge coal trade of the Scottish societies in one cwt. bags, are some of the chief items to be borne in mind when calculating the possible products of the Taybank mill.

We had the advantage of a glance through the mills at a time when Mr R. A. Duffin, the commercial manager, was free to explain the processes to us, and we carried away an interesting impression of what the mill is like. The storehouses had large quantities of raw jute in 400 bales as it arrived direct—chiefly from India—and it is worthy of note that representatives of the Society have been on missions to India in order to tap sources of supplies of this raw material. The bales are hydraulic-pressed before shipment, and the first process carried out at Taybank is to open these bales and subject the contents to treatment by a machine which breaks up the jute and loosens it, thus neutralising the effect of the hydraulic pressure. The jute then undergoes a softening process in which water and oil render it pliable and more easily adaptable to the subsequent processes. Two machines are used in the carding process—the breaker and the finisher. The mass of carded fluff, converted into broad or narrow slivers, as required, passes to the roving frame where it is made ready for the spinning frames, in which 2,600 spindles convert the rove into jute yarn. The yarn, wound on rolls, or cops, for the weaving process is then ready to leave the spinning mill. The mill machinery is driven by a powerful engine fed by three Lancashire boilers. Connected with the mill is a large pond for condensing the steam and hot water used so that it may be used again. There is also a smith's forge, and a mechanic's workshop in which parts of the machinery can be repaired or new parts made. The weaving section of the works is a valuable factory in itself; but, combined with the spinning mill, it is doubly advantageous to the Wholesale—or, rather, to the two Wholesales for which

it works. The methods of beaming the yarn are those ordinarily followed, and in the weaving factory there are 142 looms at work converting the yarn into cloths of various qualities, which are subsequently carried through all the processes till the finishing stage is reached.

When the looms are all at work the total output of the mill is 78,000 yards per week, more than 90 per cent. of which is required by co-operators. From the returns for 1918 it is seen that the value of the year's output was close on £130,000, although Government restrictions had curtailed the import of raw materials and had enforced a shorter working week upon the whole of the jute mills in the country. The English Wholesale Society took a little more of the productions of Taybank in 1918 than the S.C.W.S. did. The directors and managers of the mill are looking well ahead for increased trade at Taybank. The plain goods produced have already been mentioned, but packing materials, and materials for boot lining, for upholstery, for tailoring purposes, for corset lining, and similar purposes are already being produced at the works. Calendering and finishing departments are necessary to complete the processes already carried out, and these departments will be added to the Wholesale's business as soon as possible, for the quantity of material now being produced quite warrants their establishment.

Dyeing and printing open up a new vista of possibilities, for a popular taste has been cultivated for a variety of fancy goods of jute manufacture. Handbags for carrying home purchases were rendered necessary by the food queue, and it is possible that the old habit of purchasing in person will be retained by many for some time to come. Satchets and wall-pockets to make for domestic tidiness have also become popular. Door mats of jute material, and stair runners to save the better carpet, which they usually cover, are only some of the articles that might be brought into the category of S.C.W.S. productions; and these are already engaging the attention of the managers of the Taybank mill, the drapery and furnishing departments, and the directors; and they point directly to the inauguration of dyeing and printing. If the trade grows according to expectations, and additions to, or renewals in, plant should be necessary, the improvement could be carried out gradually without inconveniencing the general organisation of the factory. The

workers have taken kindly to their new employers, and the managers, staff, operatives, and directors pull along harmoniously —which is something to be proud of in these days.

TRANSPORT AND ALLIED DEPARTMENTS.

In this article we have bracketed together, as being more or less related, the carting, fodder, cartwright, saddlery, and farriers' departments. The Wholesale showed a disposition to do its own work, even in carting and transport, as early as 1892. Up till then the traffic between the Society's own warehouse and factories, between wharves and warehouses, and between warehouses and railways was entrusted to private contractors ; but the Wholesale found it a decided advantage to set up a carting department of its own in Glasgow, and to hire only when the department could not overtake the Society's work. The department is carried on almost as if it were an outside concern, in this respect that all expenses incurred by the department are charged up against it religiously, but the department charges up against the various departments all the work done for them. The rates charged against the departments using the carting are the current cartage rates, and so the carting department is not only made to pay its own way, but the Wholesale departments, in turn, are free from the grip of the profiteer. It is interesting to observe that the trade of the carting department has grown steadily from the beginning. The amount charged by the department for work done in 1893—the first complete year—was £8,323, and by 1904 the work had so grown in volume that the charges for that year amounted to £26,578. In 1904, however, it was decided to establish a similar department at Leith. This, too, has had unvarying success from the beginning. For 1904 its business amounted to £7,580. The position of the carting department (Glasgow and Leith combined) was that it did a trade of £60,034 for the year 1914 ; and by 1918 the work was represented by charges amounting to £123,231—apart from a considerable amount of work that had to be transferred to other contractors or by vehicles hired from other contractors. In this work nearly 350 persons are employed. The Society lost many of its horses and motor vehicles owing to military demands when the war broke out ; but in 1918 it had at Glasgow, Leith,

and other establishments throughout the service 296 horses (with lorries, carts, and vans), and 78 commercial motor vehicles and motor cars. At Glasgow the department has a regular service, at fixed hours in the day, between Morrison Street and Shieldhall, directors and heads of departments being conveyed along with dispatch bags with communications from the offices and warehouses to the factories and *vice versa*. One of the motor cars used for this purpose about ten years ago was one which belonged to King Edward, who, it is said, never retained a car more than a year. In the course of the war 133 of the Society's horses were commandeered by the Government; ten lorries, two 3-ton petrol lorries, and one 4-ton petrol lorry were also commandeered.

Like everything connected with the Co-operative movement, even the horses thrive. They have done credit to their owners and their guardians, and photographs of some of these handsome creatures appear among the illustrations in this volume. The following list of honours earned speaks volumes. "Johnny" is the pick of the stable, so to speak. In 1907 he carried off the honours at every show, and his rivals might almost be described, in the classical language of the turf, as "also rans." He is described by experts as the most handsome gelding ever seen. In the year mentioned he was awarded the Prince of Wales gold medal at Edinburgh, besides the first honours at the Highland and Agricultural Society's show, the Kilmarnock show, the Ayr show, the Glasgow Show, the Shettleston and Chryston show, and East Kilbride. "Peter" had the first prize at the Highland and Agricultural in 1914, the second prize at the Royal Agricultural at Shrewsbury, and was unbeaten at all the other shows that year. "Harry" was the winner of the highest honours at the Highland and Agricultural in 1909. "Jim" was unbeaten at all the shows in 1910. In 1916 "Unitas" carried off the first prize at the Highland show at Lanark and at the Royal show at Nottingham. In 1916 "Tom" appeared at all the Scottish shows, and was unbeaten, and he took first place at the Royal at Manchester that year. "Federation" took the premier honours in 1913, including the Highland show at Paisley. "Willie" is another pride of the S.C.W.S. equine family. He has won the first prize and championship at six shows—the Glasgow Agricultural, Highland and Agricultural,

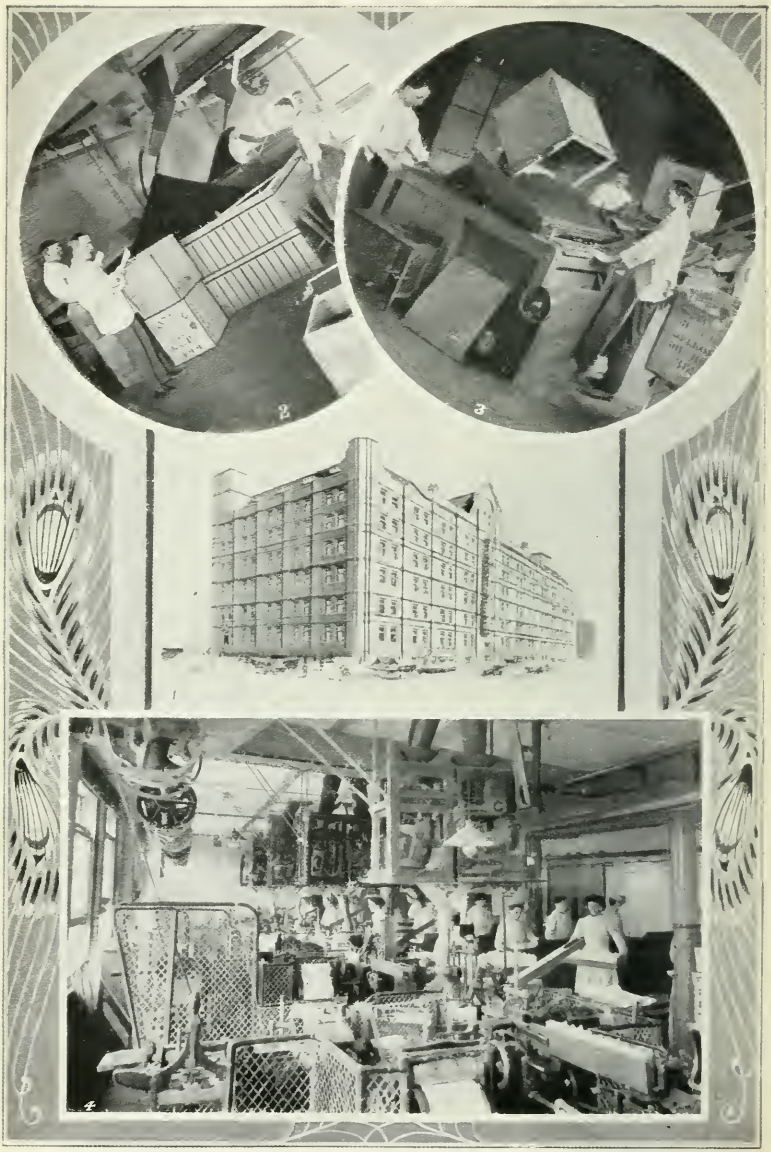
East Kilbride, Shettleston, Lanark, and Edinburgh. At the East Kilbride show he secured the supreme championship (male or female); and at the Royal Agricultural he also took first prize, but no championship.

These animals are not kept for show purposes. They have to work for their living like most beings connected with the Co-operative movement, which does not encourage the "idle rich." Mr J. C. Caldwell, the head of the department at Glasgow, has a national reputation as a judge of horse flesh, and frequently acts as adjudicator at some of the big shows where he is not exhibiting.

Two years after the establishment of the carting department, the Society inaugurated two departments supplementary to it. One of these was the cartwright department and the other the fodder department. The former was intended to keep the Society's vehicles in repair, but both have gone beyond the sphere then fixed for their operations. The fodder department began to supply societies with feeding stuffs, which are sold through the grocery warehouses, and it is interesting to note that the trade in these stuffs has been growing considerably in recent years. The first fodder department was in Glasgow, but in 1905 a similar establishment was set up in Leith. The Glasgow department is a model of its kind. Originally situated near the Society's stables in Paterson Street, it was transferred in 1912 to a new brick building at Houston Place, close to the garage, where it has ample accommodation—for the present at least. The machinery is divided into two sections. The hay-cutting section has two chaff-cutters, each of which cuts two tons per hour. The hay-cutting machines are fitted with an automatic feed arrangement to comply with legal requirements. The hay when cut falls into a reciprocating sieve which removes all dust, and the clean hay passes over another sieve and is discharged into a suction fan, which blows the cut hay vertically into a cyclone, from which any dust that has remained is blown through the apex of the roof, and the cut hay falls to the bottom of the cyclone where it can be bagged or filled into a cut-hay hopper. Above the sieve is an aspiratory fan, and all "tailings" are carried back to the chaff-cutter and recut. To deal with the hay received in bales there is a bale teasing machine. The slabs, into which the hay collects through pressure

EMPLOYEES ON THE TEA ESTATES

1. Some of the "Charge Hands." 2. Coolies at Nugawella.
3. Coolies at Weliganga.



(1) The E. & S C.W.S. Tea Warehouse, London. (2), (3) Tea Blending.
(4) Weighing and Packing Machines.

in the bale, are placed in this machine, and the hay is teased and loosened as if it had just come from the field. Here also an arrangement of electric fans disposes of the dust. The second section of the plant consists of automatic chop-making machines. In the loft there are five hoppers—one for maize, beans, or peas ; one for cut hay ; one for oats, etc. From these the hay and other materials are delivered into bruising machines, and the quantity may be regulated to give a constant supply. The grain is cleaned by sifting machines, and, after the grain has been bruised, it is passed again over single sieves to remove awnings and meal These sieves discharge the clean grain into the mixer, and from the mixer, which contains the grain in proper proportions, the chop is discharged into an elevator which carries the finished fodder to shutes from which it is discharged into bags. Fans and a cyclone are brought into play again for the purpose of blowing out dust and to prevent massing or dividing of the grain. The sales of fodder to retail societies and the transfers to S.C.W.S. establishments amounted to over £52,000 in 1918.

The cartwright department is no longer a workshop for the execution of repairs. Situated in Park Street, Glasgow, it is becoming more and more important ; for not only does it provide vans, lorries, carts, and barrows for the Wholesale, but it plans and builds these also for retail societies, and builds the bodies for motor vehicles constructed by the Wholesale's engineering department.* In the year before the war disorganised trade, the department built 140 new vehicles, including 14 motor bodies, and executed 653 repair jobs for societies. In 1918 the numbers were slightly reduced, but the disappearance of war conditions is expected to effect a big difference in this department.

Akin to these various departments connected partly with the Society's transport service is the saddlery department. This was inaugurated in 1896. Like the cartwright department, it was begun for the purpose of keeping the paraphernalia of the carting department in repair, but from the repairing of harness to its manufacture was an easy stride. Most of the harness required for the Wholesale's horses is made in Park Street, Glasgow, whither the factory was transferred from Paisley Road. Besides the harness, the factory manufactures sundry articles that may be described generically as " leather goods," and these

* See page 403.

sundries included nearly 1,000 pairs of leggings in 1918, when the transfers from the department represented a total value of over £7,000.

The farriers' department may also be mentioned suitably here. Its work in 1918 amounted to £2,581.

From these details it will be seen that the Wholesale even in its transport service comes pretty near to being self-contained in attempting to conduct its own carting and transport, in preparing the provender, making harness, and shoeing its own horses, and—to some extent—in building its own vehicles.

SOAP AND GLYCERINE WORKS.

THE valuable works at Grangemouth where soap is produced—and, incidentally, glycerine—date from 1897, although the shareholders granted the directors of the S.C.W.S. power to erect soap works in 1895. The Wholesale was doing a trade of about fifty tons of hard soap per week with the retail societies at that time; and that alone was a sufficient warrant for embarking upon production. Apart from that, the Society was driven into the manufacture of soap by considerations already set forth,* and the success of Grangemouth has been a salutary lesson to all capitalistic concerns obsessed with predatory designs upon Co-operative pockets. Fortunes are still being made by soap manufacturers, some of whom have reached the millionaire category; but, thanks to Grangemouth, Co-operators in Scotland have the satisfaction of knowing that they, at least, do not contribute to these fortunes. The Soap Trust, projected in 1906 and heralded with a blast of trumpets, was bowled over by a wonderful press attack which, we fear, was largely due to the expectation that if competition between the big firms involved were to be stopped, there would be a very serious diminution of advertising revenue; for these firms promoting their schemes of prize-giving for soap wrappers collected, engaged in advertising on a scale which almost betokened frenzy. While the press succeeded then, the soap manufacturers got their way eventually, for the people outside the Co-operative ranks are virtually in the hands of a Soap Trust. The Grangemouth works, therefore, constitute one of

* See page 158 *et seq.*

the principal theatres of the war between Co-operation and capitalism.

The processes now carried out at Grangemouth are extremely interesting. Thanks to the foresight of the directors in selecting their managers during the past fifteen years, the operations are highly successful, and the business of the works has increased by the sheer merit and value of the goods produced. For the first few years of the venture, losses were frequent; but a big change was effected in 1905. We heard Mr Maxwell asked, at one of the meetings in 1905, by a rather cynical delegate: "What qualification has this new manager you have appointed at Grangemouth?" Mr Maxwell replied: "He is a chemist of the first water"—a reply which brought the delegate to his feet again, when the laughter had subsided, with the further question: "Yes, but what kind of water?" "Soda water!" was the appropriate reply. Mr Maxwell was right. The new manager was Mr H. C. Green, the son of the gentleman who had carried the English Wholesale Society's soapmaking enterprise to a high pinnacle of success. The last of the losses at Grangemouth was recorded in the half-year before he assumed control, and the works have been highly successful since. In 1910 he left the service for a London appointment, after having revolutionised the factory methods; and after the five years' service there was nobody more popular with the workers employed there than the manager. He was succeeded by Mr J. A. Penny, who had been his assistant for three years and who brought with him to Grangemouth highly valuable practical experience, as well as high academic distinctions and the highest awards of the best technical colleges in subjects connected with the industry. Mr Penny is still the manager, and retains the confidence and goodwill which his predecessor enjoyed.

The operations at Grangemouth may be briefly described. The chief purpose of soap is to cleanse, and the chief cleansing substance is soda, which dissolves dirt. Soda when used alone would have an irritating effect upon the skin and a harmful effect upon articles of clothing or furnishing, and so it has to be combined with fats or oils of an emollient quality, which counteract the caustic effects of the soda. The essential ingredients in good soap therefore are caustic soda and either

vegetable oils or animal fats; and the function of the soap works is to combine these ingredients so as to produce a variety of soaps adapted for different purposes. Materials for use in the works are drawn from all parts of the globe. The Society has its own sources of supply for some of the raw materials in its concessions in West Africa ;* but it acts in close co-operation with the English C.W.S. in obtaining supplies of fats, oils, and chemical deposits. Between the two Wholesale societies, in 1918, there were between 700 and 800 tons of soap produced weekly, and this demanded such quantities of raw materials that the production of them had been a pressing need for some time. The need is being attended to, although this is a sphere where the Co-operative movement again comes up against the operations of the combine.

The works produce bars, tablets, flakes, powders, soft soap, toilet soap, shaving sticks, and glycerine. Before these forms are reached, there is a common process. The caustic soda is put with the fats, or oils, into large boiling pans, each of which has a capacity for about thirty tons of soap. The boiling takes several days. Glycerine, which is a by-product, is liberated in this process. This now valuable substance, formerly used for medicinal purposes, has been in enormous demand during the war for the production of explosives. The melted soap is run from the pans into large, iron boxes to cool and harden; and, when ready, the sides of the boxes are removed, leaving a solid cube of soap which is cut into flat slabs by steel wires, and the slabs are then cut into bars which are put into stacks to dry thoroughly. There we have ordinary bar soap made and ready for sale. Soft soap is the crudest of all soaps. The tablet soaps sold by the S.C.W.S. and the soap powders have been chiefly in competition with the soaps for which prizes have been offered by other makers to the collectors of wrappers. Nevertheless, in eight years, after the advent of Mr Penny, the Wholesale had increased the trade in its own soap powders by about 500 per cent.; and the net increase over the whole output was about 100 per cent. The tablets are prepared in the same fashion as the bar soap; but the soap is moulded into the familiar tablet or twin-tablet form. Flake soap is made in the same fashion before being reduced to the flakes.

* See page 432.

Toilet soaps are of a higher quality than the ordinary cleansers. The most carefully selected materials only are used. When this fine soap is being made, it is subjected to special treatment to get rid of all free alkali. When it is cooled, it is cut into shavings which are almost completely dried in heated chambers. Colours and perfumes are then added, and the soap is then run repeatedly between granite rollers to secure uniformity in texture, colour, and perfume. It is then formed into bars, which are cut into pieces, and stamped by powerful presses into the daintily scented tablets displayed in the store window in their fancy boxes.

The lure of the prize coupon had some little effect upon Co-operators, although it had ceased to be a very serious attraction. Many Co-operative societies had closed their accounts to soap firms which attempted to dictate terms, and the menace of the Trust led other societies to stock nothing but Grangemouth soap. This was the practice of about 80 per cent. of the societies in the West of Scotland when the war broke out. It was to their advantage to do so from a financial point of view as well as on Co-operative principle, for the Wholesale sells its soaps to societies at prices considerably below those charged by other makers (£20 per ton cheaper, in some cases, during the war). The quality of the soaps leaves nothing to be desired. In soap powders, for instance, the test of usefulness is the quantity of "real soap" it contains; and the S.C.W.S. soap powder contains 16 per cent. more real soap than that made by one firm, and about 6 per cent. more than that sold by several other firms. These details are not surmise; they are facts ascertained in the laboratory at Grangemouth by means of a strict chemical analysis. Besides, in toilet soaps, many firms cheapen the product by the use of cheap perfume which costs half what the S.C.W.S. uses in the production of the Grangemouth toilet soaps. Toilet soap is the high-water mark of soap production, and if a soapmaker reaches perfection in toilet soap, it is conclusive evidence that he knows the science of soapmaking. There has been no coupon competition in the toilet soap trade, and the S.C.W.S. works produce ninety per cent. of the whole of the toilet soap sold in the Co-operative stores of Scotland, the Wholesale's share being about 280 tons during 1918. Constant increases in the trade had been the rule

from 1905 till the war interfered with supplies of raw material. Caustic potash, for instance, was almost exclusively a German product. The Government controlled the supplies of raw materials to soapworks, and controlled the works, in order to secure sole possession of the glycerine. The S.C.W.S. soap works were about the only works which were able to maintain the supply of glycerine stipulated for by the Government. The war, nevertheless, left the works at Grangemouth turning out about 130 tons of soap weekly, the total product for one year being 6,719 tons of soap and 320 tons of glycerine. The works are the largest in Scotland with one exception; but that exception does not manufacture exclusively for Scottish consumption, and the S.C.W.S. does.

WHOLESALE ESTATES AND FARMS.

THE "back to the land" campaign was at the height of its popularity when the S.C.W.S. decided, in 1901, to empower its directors to purchase an estate in Ireland and an estate in Scotland for fruit-growing and for general agriculture. It was not till 1904 that the first purchase was made and the Calderwood Estate, which lies between East Kilbride and High Blantyre, came into the Society's possession. The Irish scheme was not proceeded with then, and it has not been proceeded with since. When announcing the purchase of Calderwood, the chairman said: "While we again warn you not to expect large returns—such as we are in the habit of getting from other portions of our business—still we shall do our best to make it remunerative. We shall also get the experiences (whatever they are) of landed proprietors—an education that may be of great benefit to us in the future." The warning was wise, and it has been remembered frequently, for the president's anticipations have been fully borne out.

The estate* extends to 1,125 acres, which cost the Wholesale £36,150. It comprises eight farms, the old mansion-house of Calderwood Castle, a picturesque glen, and many lovely nooks and walks. It was said to have coal, ironstone, limestone, sandstone, and whinstone; and its shootings and fishings were also thought to be worth something. The village of

* See page 181 for historical references.

Maxwellton comes within the bounds of the estate. It was intended that the Society should engage in agricultural experiments and fruit-growing. A strict survey of the place soon showed that part of it could never be made remunerative; and so, when the directors had fully considered their plans regarding it, it was decided that the castle policies, the glen, and other parts of the estate which could not be cultivated should be written off at once. These portions were set aside chiefly as a pleasure ground, and, as such, they provided Co-operators with a delightful venue for excursions. The S.C.W.S. did not prove to be a conservative landlord, for all kinds of organisations were given permission to have excursions to Calderwood, the only refusals of the necessary permits being occasioned when numbers would prove to be too large for the accommodation. A splendid green provided ample room for dancing; on Saturday afternoons and holidays a well-stocked "tuck shop" was open; the S.C.W.S. catering department could always undertake to provide meals for picnic and excursion parties when arranged for; and a splendid hall furnished ample accommodation for dining, and for dancing when the weather broke down. We write of this in the past tense, for the castle was put at the disposal of a large party of Belgian refugees when the war broke out, and while they were there picnics were not allowed, except to the refugees.

An attempt was made to utilise the castle as a Co-operative museum, and in 1906 a good many objects of Co-operative interest were exhibited there as the nucleus of what was expected to be a good collection. The place was too remote from any big Co-operative centre, and was almost unvisited except at the week-ends, and shortly before the war the exhibits were all brought back to Glasgow.

The village and the farms gave the Wholesale the experiences of landlords, and we believe the tenants have had no reason to cherish the traditional antipathy of tenant to landlord. In 1910 four of a series of houses built on the estate, near the East Kilbride end, were completed. They were solid stone semi-detacheds of agreeable design, and were readily taken up. The building scheme would have extended considerably on this pleasant situation, but, like so many building schemes, it was interrupted by the war. The fishing rights and the shooting

rights cannot have been said to have weighted the Co-operative treasury; the quarries have yet to be tapped; but the minerals have been a disappointment. There was a small colliery which the Wholesale had hoped to be able to work. Its output was small, and the people who leased it lost on it, and it is now disused. Considerable sums of money were spent in boring for coal on the estate, but the search has proved costly and, so far, unproductive of any warrant for attempting fresh workings.

In its agricultural experiments the Wholesale has been more fortunate, although year after year showed repeated losses. In some cases the losses were more apparent than real.* Under the present manager (Mr G. G. Young) the whole working of the estate improved and profits were at length obtained. The extent of the farming enterprise may be estimated from the crops recorded for 1918, which included 508¾ tons of turnips, 198 tons of hay, 245 tons of potatoes, 5,356 bushels of oats, 146¼ tons of straw, and 800 bushels of wheat. Needless to say, such produce is extremely useful to the Co-operative proprietors.

Milk production has developed apace and 41,690½ gallons were produced in 1918, almost all of which went to the Society's milk distributing centre.† This is derived from about 80 cows. Cattle are bred and fed, but the most important part of the live stock section is the piggery, where 420 animals are comfortably housed and fed until they, unhappily for the pigs, are required for the ham-curing or sausage factories.‡ Pig breeding is also carried on with encouraging results, for the Wholesale Society pays considerable attention to the hygienic conditions even of its pigs. There is a splendid little poultry farm which has about 260 fowls which, in the jubilee year, supplied 782½ dozen eggs; and sheep are also being experimented with.

Fruit is a growing trade at Calderwood, if we may say so without being suspected of punning. Great glass-houses have been constructed for tomatoes, and 45 tons of this popular edible are produced in the course of the year. The quality leaves nothing to be desired, but the Wholesale's chief ambition is to reap an earlier crop. Forced rhubarb rises to about 40 tons, and there was in 1918 also a crop of nearly 200 tons

* See page 182. † See page 358. ‡ See page 359.

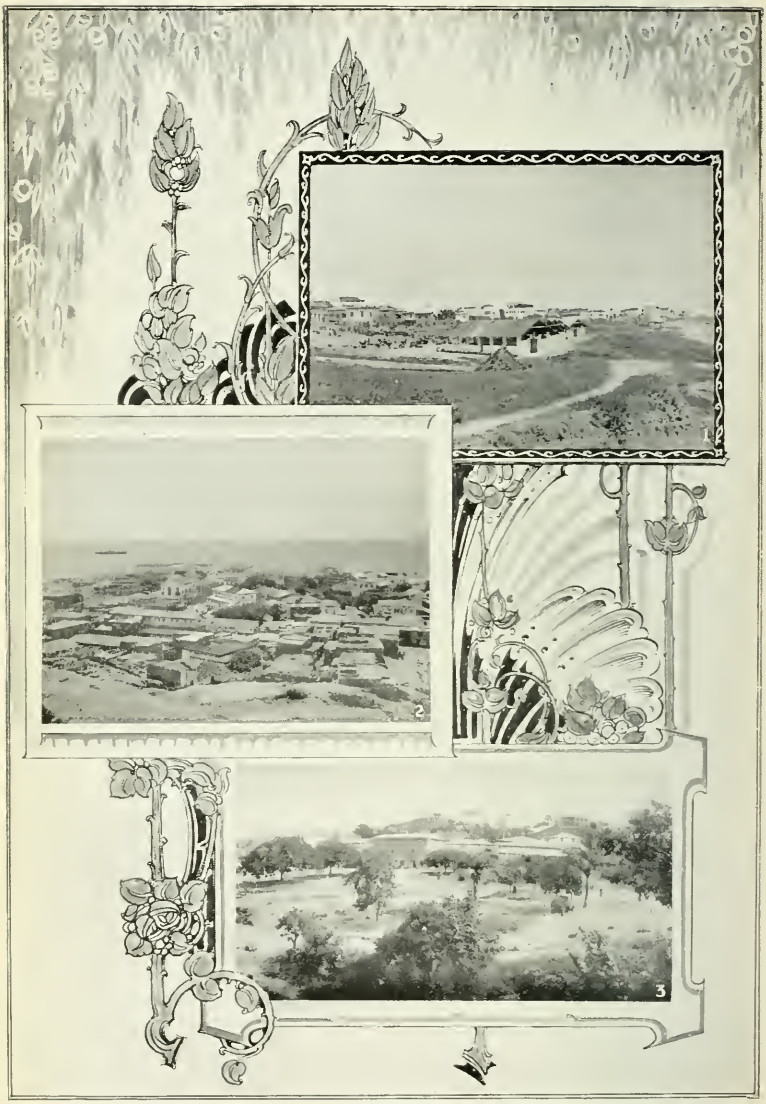
WEST AFRICAN ENTERPRISES

(1) The Pioneers of the West African Enterprise were Messrs James Young, Robert Macintosh, and Robert Stewart.

(2) The Pioneers meet native chiefs and the residents at a pow-wow.

(3) and (4) Natives who live and work in Wholesale "territory."

WEST AFRICAN ENTERPRISES



Views of Cape Coast Castle where the S.C.W.S. had its first West African Business Premises.

of field rhubarb. Cucumbers are grown, though not very extensively, and 64½ dozen have been obtained in one season. There is a little vinery from which 4 cwt. or 5 cwt. of grapes can be cut. Soft fruit is developed on fairly large lines, and it is interesting to watch the pickers at work during the season and to follow the loads of fruit on their journey to the Wholesale's fruit department at Glasgow or to the retail societies' stores. Varying quantities of black, red, and white currants are obtained; but 8½ tons of strawberries, 5 tons of gooseberries, and 5 tons of rasps may be taken to represent a year's gathering of these fruits.

Pot plants and cut flowers are also cultivated for sale to the societies. Although magnificent trees line some of the avenues, the timber on the estate is not of a high commercial value. The whole grounds have recently been surveyed, and the directors have been authorised to dispose of a large quantity of the timber with a view to replanting part of the estate with trees that will be more valuable, more useful, and probably more ornamental. The sales from Calderwood for 1918 (excluding timber) amounted to £17,981, and there are about 70 persons employed on the estate.

Springside Estate was purchased in November 1917. It is situated at West Kilbride, Ayrshire, a district rich in its agricultural pursuits. The estate is not embarrassed with a glen or with forest, for, however picturesque these features of Calderwood are, they are not what the Wholesale Society needs most. Springside extends to 406 acres and cost £12,000. It is splendidly situated for the practical uses to which the S.C.W.S. wishes to put it, but the jubilee year was the Society's first year of possession.

TEA AND COCOA PRODUCTION.

In the record of the Society's progress we tell how the Wholesale Societies of England and Scotland entered the tea trade,* and how the joint department of the two federations purchased the Nugawella and Weliganga estates in Ceylon in 1902.

Five years later (1907) the Mahavilla Estate was bought, this consisting of 321 acres. Further steps in the ownership of

* See page 169 *et seq.*

tea plantations were not taken till 1910 and 1913, and at the outbreak of the great European war the two Wholesale Societies were proprietors of the following estates :—

CEYLON.	Acres.	Year Purchased.
Mahavilla Group :—		
Nugawella and Weliganga	399	1902
Mahavilla	321	1907
Dambagalla	98	1910
Denmark	151	1913
	969	
Westhall Estate	1,931	1913
Nagastenne Estate	487	1914
Total	3,387	

It should be explained that the estates included 535 acres devoted to rubber, these being in the Mahavilla group ; but regarding the whole areas as being capable of tea cultivation, it may be said that the Wholesale Societies produced a very small part of the tea sold in Co-operative stores throughout the United Kingdom. As a matter of fact, when the thunderbolt of the war fell upon us, they were not producing 150th part of the quantity supplied by the joint tea committee of the two Wholesale Societies.

The Wholesales have made progress since then, as will be shown later on, but for the sake of dealing with concrete figures, let us refer to an investigation that was made in 1915 by the special commissioner of the *Co-operative News*. At that time the S.C.W.S. and the C.W.S. sold from 30,000,000 lbs. to 31,000,000 lbs. of tea a year. The joint ownership and control of tea gardens then embraced 5,000 acres, on which had been produced in the previous year 211,780 lbs., or about 147th part of the total quantity distributed by the Wholesale Societies. In other words, the Wholesale Societies were selling only 1 lb. of tea of their own growing to every 147 lbs. sold that had been grown by private owners. It is as well for Co-operators to bear this in mind, because by it they can measure the extent to which they have yet to go before they can grow all that they sell. What is distributed by the joint tea committee does not represent, by a long way, the quantity that must be consumed by Co-operators in a year's time ; and, indeed, if all the working-classes purchased Co-operative tea, we should have an annual sale not not less than 300,000,000 lbs. !

What is the position to-day respecting the ownership of tea fields by the two Wholesale Societies? It may be repeated that the acreage at the commencement of 1914 was 3,387, counting the rubber acres. Since then the enterprise of tea growing has been doubled. Further purchases in Ceylon have been as follows:—

	Acres.	Year Purchased.
Bowhill	723	1915
Baharandrah	567	1918
Total	1,290	

The following are the acres owned in India, and purchased since the outbreak of the war:—

	Acres.	Year Purchased.
Mango Range Group:—		
Mango Range	4,382	1915
Attikunnu and Glenfruin	710	1915
Caroline	650	1915
Sheikal Mudi	2,500	1916
Richmond and Marian	720	1917
Strathearn and Maryland	999	1917
Murugalli	2,494	1917
Ripon	1,416	1918
Total	13,871	

These figures give a grand total of acres in Ceylon and Southern India owned by the Wholesales of 18,548, at a cost of nearly £100,000. With the exception of Nagastenne and Westhall Estates, the areas in Ceylon are growing all the tea of which they are capable. Those in India are yet only in a stage of development, and it will be several years before they attain the full bearing period.

The situation to-day with respect to the tea grown by the societies combined, and the quantity sold by them, is indicated by the following returns:—Total yield last year (1918), 600,000 lbs.; total sales, 41,185,631 lbs. Hence, the scope for further advances in the acquisition of plantations. Since the end of 1918 there has been further increase, and the sale to-day by the two Wholesale Societies is over one million pounds weight per week.*

The cultivation of the tea is a process requiring a great deal of care, and constant pruning has to be resorted to to

* These details form part of the account by Mr James Haslan referred to on page 169.

procure the best results. The youngest and most tender of the leaves are "plucked" for the market, and the younger the leaf the finer the tea. The plucking has to be done with exceptional care, for the stem has to be severed with a cut from the thumb nail, and it would be injurious to the tea if the leaf were simply pulled off. An ordinary day's plucking for a coolie is about 15½ lbs. of the green leaf, and only experts can exceed 20 lbs. per day. This day's pluck represents a very much smaller weight of tea as it is bought in the shops, the loss in weight being the result of the various processes of withering, rolling, fermenting, firing or drying, and assorting through which it has to pass before it is shipped.

The Co-operative tea warehouse at Leman Street, London, is a wonderful establishment. On the top floor are hundreds of chests of tea waiting for treatment. These are broken open, and the tea is passed through mills so that the leaves may be reduced to nearly uniform size for blending. Each of the mills disposes of the contents of twenty chests per hour. From the mills the tea passes to great hoppers on the floor below, where about 90,000 lbs. of tea may be mixed daily, the tea being filtered in the process of mixing so that pieces of the lead foil in which it is packed, nails, and other undesirable ingredients are extracted. The hoppers run the tea into huge revolving drums in which the blending process is completed. These blending machines, each holding 4,000 lbs., are filled time after time every day. In the packing and dispatch of the goods the greatest care is taken to secure that the tea forwarded to a particular district is the blend best suited for brewing with the water supply of that district. The packing machinery at Leman Street performs a wonderful complication of processes. Formerly the grocer received his chests of tea and weighed out the quantity required by his customer, and put it in the poke "while you wait." Leman Street saves the Co-operative shop assistant an enormous amount of time. The wonderful machine cuts squares of white paper and foil from great rolls; the machine folds these into packets which, standing on end on a travelling belt which carries the packets—quarters or half pounds—below the automatic tip-up weighing machine which fills the packets, and the machine folds in the end of the packet, attaches the gummed labels, and so seals the packet ready for

the counter. With the attention of one girl, these packing and weighing machines each turn out 16,000 packets per day. There are ample safeguards for the checking of the automatic weigher; and the weight of tea supplied is the net weight marked on the label, the paper not being included in the weight. The remarkable extent of the works and the rapidity with which the packets are turned out always impress visitors to Leman Street. It may be added that the two Wholesale Societies now own their own wharves and warehouses on the Thames, which advantage facilitates the work of Leman Street enormously.

Ever since its commencement the joint tea committee has had to wage a severe fight with the vested interests connected with the tea trade. In 1916 the tactics of private dealers and the representatives of multiple concerns culminated in various charges of a serious character being made against Co-operative tea dealing on the London tea market. Mincing Lane, the central of the nation's tea marketing and manipulating, was up in arms against the S.C.W.S. and the C.W.S. Trumped-up accusations were flung about on the market at meetings of principal tea firms and in the Press. They were repeated with the object of discrediting the two Wholesales in the minds of consumers, and of drawing the attention of the Government to an allegation that, against the interests of the nation at the time, the market representatives of the joint tea committee had been manipulating purchases and sales in order to force up prices unnaturally. Indeed, the Board of Trade was led into the net of misrepresentation. On 11th May 1916, acting under the Defence of the Realm Act, two officers armed with a warrant signed by the Government Assistant Director of Contracts, put in an appearance at the Co-operative tea warehouse in Leman Street, London. Their object was to deal with the charge of overbuying in war time. But the invasion proved a fiasco. The S.C.W.S. and the C.W.S. stocks were actually below normal!

The cocoa and chocolate factory, also owned jointly by the C.W.S. and the S.C.W.S., is situated at Luton, Bedfordshire. Here piles of bags of cocoa beans are waiting to be converted into cocoa or chocolate. The beans are thoroughly cleansed and roasted. The cocoa nibs, obtained by cracking the beans.

are ground under heat, and thick chocolate-like fluid oozes out into metal boxes with false bottoms. These are rammed in hydraulic presses till the heavy cocoa butter is expressed and a cake of pure solid cocoa is left behind. These cakes go to the pulverisers which grind them into fine powder. Little cups pick up, automatically, the exact weight of cocoa required for the tins of various sizes; they fill the tins; and the machines finally affix the labels and wrappers round the tins, and the cocoa is ready for the table.

In the production of chocolate the Luton factory uses only the pure, unadulterated cocoa, extracted by the methods just described. To this sugar is added, along with genuine cocoa butter, so that the cocoa and the sugar will combine. These ingredients are ground, refined, moulded, and cooled. Cream for the "chocolate cream" is made chiefly from pure boiled sugar; and milk chocolate is made by a blending and milling machine which blends full-cream British milk with chocolate paste. Three well-known brands of cocoa have made Luton famous—Broma, Luto, and Co-So. They do not represent three grades of purity, for all the products of Luton are pure, but the three brands simply represent three flavours. The chocolates produced at Luton also merit high praise from all who sample them. In their production the plainest of the chocolates leave nothing to be desired; but the richer chocolates are well entitled to rank as confectionery *de luxe*. About 300 persons are employed at the Luton works; and the two Wholesale Societies are already doing something in the cultivation of cocoa on their African lands.*

OVERSEAS ENTERPRISES.†

THE S.C.W.S. organisation in Canada is a source of pride to Scottish Co-operators, and it was, indeed, a revelation to the members of the Government's Wheat Commission which undertook the duty of maintaining food supplies for this country during the war. How the Canadian enterprise came to be

* For the description of the processes at Leman Street and Luton we are indebted to *The Wheatsheaf*.

† See "Tea and Cocoa Production," page 425.

initiated is described in the history of the Wholesale.* Prior to 1906 wheat was bought by the S.C.W.S. through the English Wholesale agency at New York and through agents on this side. The prospect of owning wheat-growing lands in the Golden West appealed not only to the imagination of the Co-operators of Scotland but to their common sense also ; and that prospect was kept fully in mind when Mr Fisher, of the flour mills department, was sent to Winnipeg in 1906 to organise the supplies for the Wholesale. His operations there brought him into the ordinary grain markets to begin with, and ultimately brought him and his Scottish friends into direct contact with the Canadian farmers.

The first essential to successful organisation of the supplies of grain was the provision of elevators at suitable points, where the grain could be stored till transport facilities were available. Up till 1911 the Wholesale had six of these great storehouses, each of which had a capacity of 30,000 bushels. Year after year saw a big increase in the amount of grain bought direct through the Winnipeg depot and dispatched to the Regent and Chancelot mills. By the end of 1913 there were ten elevators, and by the end of 1918 the Society had no fewer than nineteen of them. When the grain can be dispatched it is forwarded to the terminal elevators to wait shipment.

In 1916, after several deputations had visited Canada, including a joint deputation representing the two Wholesale Societies, it was agreed to purchase the Weitzen estate and farm extending to about 10,000 acres.† This is only intended as a first instalment of Co-operative farming in Canada, and the venture is jointly owned by the two Wholesale Societies. The directors of the Wholesale find that their operations have been hampered by the Government's control over the wheat supplies, and they have had some unfortunate experiences. While before the war the Wholesale derived full benefit from all the machinery set up for grain collecting, the Government's regulations have compelled the Wholesale to sell all its grain to the Government agent in Canada. When the grain arrives in this country it is part of a common pool and the Wholesale has to buy here in the ordinary way. This has prevented the Society from having the choice of its own grain as before. For a time the Government was

* See page 172 *et seq.* † See page 175.

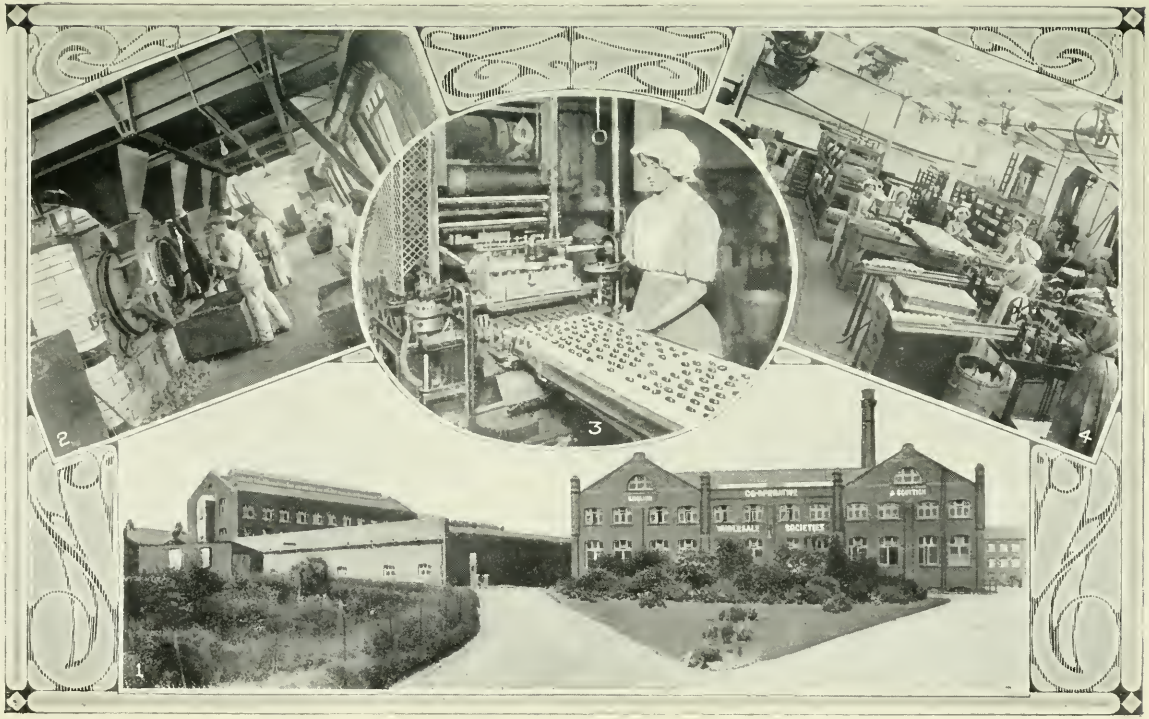
prepared to allow the S.C.W.S. to contract out of the Control scheme, so far as grain was concerned. That was frankly and avowedly a tribute to S.C.W.S. organisation in Canada, but difficulties were put in the way by shippers on the other side, and eventually the Government decreed that the Wholesale, notwithstanding its expensive network of organisation, would have to conform to the same rules as other Canadian exporters and other British importers. The extent of the operations of the Winnipeg depot may be judged from the fact that in 1914 it shipped 2,469,247 bushels of wheat (308,656 quarters). Under Control conditions developments in Canada are deferred, but the Wholesale has its plans well thought out for progressive measures as soon as it becomes a free agent again. The English Wholesale Society is more and more likely to join with the S.C.W.S., and if the way were clear there would probably be a chain of about 120 or 130 elevators across the wheat-bearing land, with great terminal elevators at the principal shipping ports.

An important venture of the S.C.W.S. is to be found in the West African establishments, inaugurated in 1914 for the purpose of providing raw materials for some of the Society's productive factories. The expedition in the spring and early summer of 1914, in which Mr Robert Stewart, Mr James Young, and Mr Robert Macintosh took part, will probably prove to be of the greatest importance in years to come. The lands cultivated by the S.C.W.S. are on the Gold Coast. Europeans are prohibited, apparently, from purchasing land outright, and only leases can be arranged. The idea of leases entertained by the native chiefs is that the lessee should be allowed to take certain products, pay rent for the privilege, and share the profits with the chief; but the S.C.W.S. succeeded in securing agricultural leases, with the right to cultivate any crop likely to be of use to the Society. Such leases have to be approved of by the Concession Courts set up under the authority of the Colonial Office.

Among the concessions* now being utilised is an area of about five square miles of agricultural land known as the Ayerasu Estate, in the Saltpond district. In this area are some villages used till the war by colonies of natives engaged in the collection of native rubber. Crops of cocoa and rubber have been cultivated by the S.C.W.S., and there are possibilities of crops of rice, limes, tomatoes, etc.

* See pages 219, 256.

LUTON COCOA AND CHOCOLATE WORKS



(1) View of Chief Wing. (2) Roasting the Beans. (3) Coating Chocolate by Machine.
(4) Corner of Cocoa Packing Room.

GRETNA

(1) View of "The Stores." (2) Interior of Drapery Department.

Besides these crops there is the important trade in palm oil, which is required for the Grangemouth soap works; and the palm kernels, which are required for the Bladnoch margarine factory. West Africa is the only country where these products are favourably cultivated. The available supplies at the Liverpool markets might decrease at any time—especially in view of the competition in the soap and margarine trades—and the S.C.W.S. regarded it as a wise precaution to get to the actual source of supply. The English Wholesale Society has an oil mill, and the palm kernels are sent there to be crushed and made into palm kernel oil for margarine and into feeding cake for cattle. Besides what comes from the Wholesale's own concessions there, the representative of the Wholesale can procure supplies at first hand in the many buying stations in the palm belt. In this trade with the natives there is a considerable amount of exchange. The natives, for example, bring their produce, for which they are paid in cash, and the Wholesale, as *concessionnaire*, has to open stores for the supply of cloth and other things required by the natives and their wives. The Wholesale, in establishing itself at the Gold Coast, has done what other great users of these native products have been disposed to do during recent years.

With regard to the products from this area it is not necessary to do more than mention them briefly in order to show the value of the concessions to the Wholesale. The value of supplies of rubber to a concern which owns a waterproof factory manufacturing proofed goods for the Co-operators of England and Scotland is quite apparent. There is a big steady demand for cocoa at the Luton works owned by the joint committee of the two Wholesale Societies. The sales of rice in the S.C.W.S. grocery department, amounting to about 1,800 tons annually, provide a ready market for the rice cultivated here. It is a new product for the S.C.W.S., but as yet it is only in the experimental stage, as, indeed, most of the work on the estate is. The Department of Agriculture has fostered some experiments in the cultivation of limes and the S.C.W.S. has been growing some already. The fruit will be useful, for example, for the production of lime juice and essences at Shieldhall. Tomatoes can be grown all the year round here. The S.C.W.S. sales in tomatoes are very large, and the success of the tomato trade with West Africa will depend very largely upon the development of ships suitable for

bringing them—and other tropical fruits—here in good condition. The Wholesale is also experimenting in the growing of tobacco, which will be an additional advantage.

The Wholesale is fortunate in obtaining a footing in this colony, for in its possibilities it is one of the richest under the Crown, and the produce of the place is much required. One other point ought to be mentioned in connection with the S.C.W.S. venture here. In West Africa, as in most other colonies, there has been a good deal of speculation and exploitation, and the natives have not always been treated fairly. This was brought home to the first emissaries of the S.C.W.S., who found it difficult to make the natives believe that the Wholesale had the best intentions. The doubts of the natives have been overcome. About 300 or 400 have been employed in setting up the necessary buildings and in keeping the work going on the estate. The natives, finding steady employment, finding that they were not being exploited but that they were to work under conditions which meant a considerable accession of wealth to them in a country where that was not the usual sort of treatment meted out to them, have taken kindly to the Wholesale. The war meant a considerable handicap to the Wholesale board in connection with the West African enterprise, for the war had begun before the estate came under S.C.W.S. control ; but there is every prospect that the concessions will prove valuable to the movement before long. The enterprise is under the management of Mr John Watt, who was a chemist in the employment of the Wholesale when his appointment to West Africa was decided upon in 1915. He had formerly considerable experience with palm fruit products and in the erection of factories and oil works in India.

Apart from the concessions held and worked on behalf of the S.C.W.S., the two Wholesale Societies are joint owners of land at Accra, where there is a big trading depot ; and the English C.W.S. also has possessions at Lagos and Sierra Leone. Eventually, it is expected, all these overseas ventures will be jointly owned, and that aspect of Co-operative development is dealt with in Chapter XVIII.

At New York and Montreal there are branches of the Wholesale, where buyers are established to secure supplies of all kinds of American produce and to organise the shipments

of goods destined for Co-operative use in England and Scotland. These officials are the joint servants of the two Wholesale Societies, although these branches are worked by the English Wholesale Society. Similar arrangements to those at New York and Montreal have been made at Continental centres, where it is necessary that the movement should be represented at great produce markets. Thus there are Co-operative establishments serving the interests of the two British Wholesale Societies at Aarhus, Copenhagen, Esbjerg, Herning, and Odense in Denmark; at Denia in Spain; and, prior to the war, there was a similar establishment in Hamburg. The two federations were thus able to pool their purchases, and so derive the greater economic advantages that accrued from the joint buying department, making the British Co-operative movement the largest exporter of the local produce.

RETAIL BRANCHES OF THE WHOLESALE.

THE considerations which led to the establishment of retail stores under the auspices of the S.C.W.S. have already been set forth.* In 1908 the first retail branch was established, and the members of the distributive societies throughout the country looked forward with a good deal of curiosity to the results. Had Elgin been a centre of Co-operative enthusiasm, the S.C.W.S. would never have contemplated the establishment of a branch there; for that would have been left to local enterprise. One might be excused for thinking the town of Elgin was big enough for a Co-operative society. But competition was exceedingly keen; prices were terribly cut; credit could be had nearly anywhere there; and private traders were smart and obliging. Many are the licensed grocers in Elgin, and a good spirit trade undoubtedly gives the grocer an advantage. Doubtless, many would be unable to compete with the store had they no licence. The big multiple shops are the great rivals of small traders, and the struggle of the latter would be severe even if no "store" existed in Elgin. Some of these firms pushed their business hard, doing a big country trade also over a radius of twenty miles round Elgin. There was, of course, in Elgin the kind of steady work which has been the foundation of many a

* See page 183 *et seq.*

prosperous Co-operative society ; but it is now over thirty-five years since the movement commenced in Elgin. It never seems to have prospered ; the men felt themselves in an isolated corner of the land, and not much interest was taken in them. The dividends were never great ; sometimes the store had unprofitable servants ; and it was the fact that there had been a lack of success about a former Co-operative society in Elgin that made the people slow to take steps to organise the movement on their own behalf and slow even to take advantage of the opportunity the S.C.W.S. afforded them in 1908.

Similarly unfavourable circumstances led to the opening of the second retail branch by the S.C.W.S. This was in West Barns in 1914. The circumstances in West Barns were more unhappy than those which prevailed in Elgin ; for a store official brought about the failure of the West Barns Society and involved the members in considerable loss of capital. It is an event which is not common in the Co-operative service, as the Fidelity Branch of the Co-operative Insurance Society can testify ; but it had a bad effect. Efforts were made by the other Co-operative societies in Scotland to raise a fund to mitigate the hardship on the members—although it must be confessed that the loss arose through their not taking the responsibility of controlling their own business which the constitution of a Co-operative society gives the members. The fund was of great benefit to the worst losers ; and the S.C.W.S., knowing that it might be difficult to create sufficient enthusiasm at the time to re-form the old, or to form a new, society, established a branch there which has done very well ever since. In point of fact, West Barns ranks second among these retail branches for the amount of trade done.

The month following the opening of the West Barns store as a branch of the S.C.W.S., a retail branch was opened at Buckie. The Society's propagandist had been busily engaged among the fishing population, and had succeeded in convincing many of them of the value of the Co-operative store. While his work was in progress, the Scottish Agricultural Organisation Society began to take steps to form an association of a peculiar character. Its chief feature was that the fishermen on the North-East Coast were to form an association. Each member of that association was to be given a card of membership ; and

on presenting this card at certain shops at the various port towns they were to be supplied with goods at a certain percentage below the usual price. It was a good enough idea from one point of view; but it still maintained the principle of individualism. The *Co-operative News* called attention to the scheme, and protested against the Organisation Society taking steps in that direction while the S.C.W.S. was engaged in establishing Co-operative stores at so many places on the coast, while there were existing Co-operative stores at so many other coast towns. In the end, this scheme was allowed to drop, and the S.C.W.S. retail branch was opened at Buckie in April 1914, where it still " carries on " with no little success.

There is a go-ahead branch in historic Aberfoyle. The workers at the slate quarries here organised a Co-operative society for themselves a good many years ago. It could not be a big thing; and it certainly began in a small way in an iron shed. It prospered, however, for a time, and the store was transferred to a pretty little building on the main road quite close to the famous Bailie Nicol Jarvie hotel. There was difficulty, apparently, in finding members with time to devote to the committee work; and the people most concerned lost interest in the store to some extent. Several attempts were made to revive their enthusiasm—but eventually it was suggested that the Wholesale might undertake to run the store as a retail branch. The Wholesale entered into ownership in March 1915; and before long considerable improvement was made. The store was properly equipped; a painstaking manager was placed in charge, and before long trade was won by the quality and price of the goods sold and the ability of the manager. One effect of this was to close one or two shops in the place; but that is only attributable to the difference in the system. Purchasers were found to send their orders from other places in the neighbourhood; and, not only that, people not usually accustomed to trade at the Co-operative store found it to their advantage to purchase at Aberfoyle. We remember the late Mr Peter Glasse speaking with great pride over the change that had come over the store at Aberfoyle; and his pride was justified very largely, for he and his old comrade-in-arms, Mr James Deans, were chiefly responsible for the establishment of the Aberfoyle Society.

In the High Street of the town of Forres, made famous by Shakespeare's "Macbeth," a retail branch was formally opened on 1st May 1915. This branch was the result of the activity of Mr Neil Maclean—now the M.P. for Govan—who spent some weeks in the town addressing meetings, distributing literature, and making personal calls on the people to explain the nature of Co-operation. The shop in High Street was devoted to a general store for groceries, drapery, and boots. The population of 6,000 offered considerable prospects of success for a Co-operative store; and when the first day's business was completed, no fewer than 122 persons had taken out purchasing books; but altogether about 400 persons had made purchases. The town has suffered a good deal during the war, and the trade of the store has not been so large as might have been expected; but the return of peace and more normal conditions should increase the business of this, which is regarded as one of the smallest of the S.C.W.S. retail branches.

Peterhead houses another retail branch. As at Elgin and West Barns, the Wholesale inherited some little prejudice begotten of the failures of earlier Co-operative efforts. The branch began in 1916 when the town, like Buckie, was suffering hardship occasioned by its proximity to the North Sea and the restrictions on fishing. Nevertheless, the branch has had considerable success, and the old prejudices may die down when the people realise what the S.C.W.S. can do. It was opened with a good deal of enthusiasm, and on the first day the doors had to be closed twice to enable the staff to cope with the rush.

Banff has also a retail branch, established in war-time. It is the smallest of all the branches judged by its trade; but the removal of the conditions which affected the town during the war will bring gradual improvement. In this part of Scotland, it will be seen the Wholesale has planted a useful little chain of stores in a district in which the people might otherwise have been left without any safeguard against the profit-making classes.

Gretna was an excellent example of a little community that could have been made a miniature Co-operative Commonwealth. In a historic spot, sacred from time immemorial to romantic lads and lasses, the Government established a busy hive of industry. The need for a great munitions factory out of reach

of Zeppelin raids, prompted the scheme. The mammoth works were set up, roads were made, a drainage system provided, railway connections were established, churches were built, a concert hall was provided, and other places of entertainment were erected, together with housing for nearly 20,000 people. There were no private landlords or property owners; for the inhabitants of the city were the tenants and the employees of the State. One big bakery was erected; and there was a great central cooking establishment which provided something like 14,000 meals per day. To begin with, the S.C.W.S. undertook to provide these meals. The supplying of the ordinary wants of the people, it was thought, ought not to be left to private concerns. Several Co-operative societies in the neighbourhood considered the establishment of branches there; but only one could be allowed to do so, and neither of the Scottish societies nearest to the place felt equal to the task because it meant such a large expenditure to begin with. Finally the S.C.W.S. undertook to establish a retail branch there. Many of the workers imported were Co-operators; but to form a society of their own would have taken time. The S.C.W.S. faced the task on a fairly big scale, and established a good grocery and provision store (which started with a trade of £330 per week), and a drapery, boots, and furnishing department. The store was well patronised, and a splendid trade was being done. The Co-operative spirit prevailed throughout the community. What is likely to happen there is in doubt; for while we write the prospect is that, the war being over, the whole of this new city will be scrapped. It would be ten thousand pities; and the works erected there for the manufacture of munitions might be adapted for some other and perhaps more desirable purpose.

The retail branches are not regarded as the most vigorous form of Co-operation, but they, at anyrate, enable people in these districts to begin to co-operate, and subsequent developments depend upon them

APPENDICES

APPENDIX I.

NOTES ON THE WEAVERS' SOCIETY OF FENWICK, AYRSHIRE.*

The Fenwick Weavers' Society (referred to in the second chapter) was constituted by a charter, voluntarily entered into by some of the master weavers and apprentices, and duly signed and attested on 14th March 1861. The objects of the society as stated in the charter were:—"(1) That we shall be honest and faithful to one another and to our employees, and make good and sufficient work and exact neither higher nor lower prices than are accustomed in the towns and parishes of the neighbourhood. . . . (2) That there shall be a quarterly meeting of the whole of the members of this society in time coming for looking into and better managing our affairs. . . . (3) . . . To contribute quarterly or oftener for poors money according as the trade or a majority of them shall from time to time appoint. The charter—" wrote upon stampt paper by William Brown, clerk to William Paterson, writer in Kilmarnock "—was signed by James Brown, William Walker, William Buntine, Alexander Gemmell, Thomas Barr, John Burns, John Walker, William Hendry, Samuel Wallace, John Gemmell, James Gemmell, John Walker, Alexander Wallace, John Wilson, John Burns, and Thomas Burns.

One of the first enterprises of the society was as Co-operative in one sense as the methods of some Co-operative societies engaged in agriculture. The society purchased reeds required by the weavers for the varying descriptions of fabrics to be woven, and the society hired these to its members at prices varying from one penny to fivepence per score of ells woven, the variation being regulated by the fineness of the web and the width. This relieved the members of the burden of purchasing these expensive requisites for themselves.

The society's " box " (which cost 4/ fitted " with two loacks ") was hanselled by the half-crown entry-money paid by each of the original master members who signed the charter and the one shilling each paid by the original apprentice members. These foundation endowments were supplemented by the contributions decided upon " by the trade or a majority of them."

The " box " was chiefly used for such purposes as the following entries disclose, viz.: " Given to John Kirkland's orphan this present day the sum of 5/3 ; " " given to Andrew Orr, being in need, 4/ ; " given to Mary Skirren, the widow of the deceased member, Thomas Barr, for part payment of house rent, 8/ " (a similar payment, varying in amount, was repeated each year for twenty-seven years, so long as Mary Skirren survived her husband).

The society, from time to time, revised the prices to be charged for webs woven for customers ; and there is a record of one member being fined for " working chape."

* These data are extracted from " Matthew Fowlds and Other Fenwick Worthies " (by J. K. Fairlie, and published by the *Kilmarnock Standard* Office). The book, which is now out of print, contains a most interesting account of the society.

The resolution of the weavers to undertake the buying and selling of "Victwal" is recorded in the society's old time-worn "book" as follows :—

9th November 1769.—This present Day It is agreed upon by the members of our society to take what money we have in our Box and buy what Victwal may be thought Nesessar to sell for the benefit our society. And the mannagers of our society may borrow what money They think Proper for that End and purpose. And when the interest is paid of what money yow borrow and the men received their wages for buying and selling thes Victwals we Deal in the society will both reap the benefit and sustain the loss of them, and If any member of our society Pay not what Quantity of Victwals he receives at the end of four weeks If the mannagers require it of him, Neither him nor his shall have any more right to our societys Victwals If he be found buying Victwals from any other and leaving the trade in Debt of the same according to the option of the society.

ALEXANDER WALLES.
JOHN WILSON.
ANDREW ORR
his × *mark.*
ROBERT WALKER.
JOHN BURNS.
JOHN BURNS.
WM. HENDRY
his × *mark.*
JAMES BROUN.
WILLIAM WALKER.
WILLIAM BUNTEN.
THOS. BARR.
J GEMMELL
his × *mark.*

The "book" referred to is a manuscript volume, the entries in which extend from 1761 to 1907—one hundred and forty-six years.

It is true to say, then, that this is the oldest example of distributive Co-operation of which there is documentary evidence; but it is also fair to claim that the Fenwick Weavers, by their collective purchase of reeds for the use of the members of the society, was probably the pioneer of what is now described as the "Co-operative supply association"—an institution met most commonly in the history of agricultural developments.

In the year 1800, a period of excessive prices, it was resolved to give up this branch of the society's labours. Violent fluctuations in prices caused by the recurrent scarcity and aggravated by the Corn Laws made it a business attended with no small risk, especially when trading in food was not one of the primary objects of the society. On the day on which it was resolved to discontinue this trading it was decided to purchase a warping mill which was even of greater advantage to the members than the hiring of reeds.

FIRST SCOTTISH CO-OPERATIVE SURVEY REPORT, 1867 (See page 65).

County.	Number of Societies.	Population.*	Members in the Shire.	Capital.	Sales.	Profit.	Average Capital per Member.	Average Population to each Society.	Average Population to each Member.
Aberdeenshire	1	221,569	1,429	£1,667	£28,680	£1,673	£1 3 4	221,569	155
Ayrshire	10	198,971	2,042	5,231	50,948	2,950	2 11 2	19,878	97
Banffshire	1	59,215	40	60	1,285	77	1 10 0	59,215	1,480
Caithness-shire	1	41,111	160	160	3,120	312	0 19 0	41,111	256
Clackmannanshire	5	21,450	963	3,968	27,341	1,751	4 2 4	4,383	22
Dumbartonshire	3	52,034	402	1,142	8,729	465	2 16 8	14,011	129
Dumfries-shire	2	75,878	370	1,129	13,760	281	3 2 1	37,937	205
Edinburghshire	12	273,997	2,055	7,120	50,794	2,552	3 9 3	22,831	133
Fifeshire	21	154,770	5,294	18,437	140,535	11,868	3 9 8	7,370	29
Forfarshire	10	204,425	3,125	14,077	87,941	5,714	4 10 1	20,442	65
Haddingtonshire	4	37,634	884	2,976	33,022	3,751	3 7 3	9,408	42
Kinross-shire	1	7,977	140	140	1,670	124	1 0 0	7,977	57
Kirkcudbrightshire	1	42,495	244	488	3,640	182	2 0 0	42,495	179
Lanarkshire	23	631,566	2,736	5,187	122,219	10,271	1 18 0	27,459	231
Linlithgowshire	3	38,645	609	1,762	12,469	1,070	2 17 10	12,881	63
Perthshire	3	133,500	390	706	16,317	1,620	2 10 6	44,500	556
Renfrewshire	12	177,561	1,917	3,595	46,470	2,401	1 17 0	14,796	93
Roxburghshire	2	54,119	1,002	6,344	31,598	2,190	6 6 7	27,059	54
Selkirkshire	3	10,449	640	5,462	37,879	938	8 8 9	3,483	16
Stirlingshire	16	91,926	1,812	16,935	82,687	5,803	9 7 0	5,745	51
Totals†	134	2,529,292	26,254	£96,531	£801,110	£56,001	...	...	...

*The whole population according to official statistics was 3,062,294 in 1861. The Survey makes no reference to Argyll, Berwick, Bute, Elgin, Inverness, Kincardine, Nairn, Orkney and Shetland, Peebles, Ross and Cromarty, Sutherland, and Wigtown. Probably the Committee were unable to trace Co-operative Societies in these counties, and the only societies the Registrar could discover in these areas was one in Inverness-shire (Inverness), with £594 of capital and £79 of profits; and one in Peeblesshire (Walkerburn), with £360 of capital and £196 of profit.

†See Appendices III. (for year 1911) and IV. (for last war year and jubilee year).

APPENDIX III.

STATISTICS OF MEMBERSHIP AND TRADE OF SOCIETIES IN SCOTLAND IN 1911.*

COUNTY.	Population.†	Membership.	Per Cent. of Population.	Retail Trade 1911.		
				Total.	Average per Member.	Average per Head of Population.
				£	£ s. d.	£ s. d.
Aberdeen	312,177	19,961	6·39	745,725	37 7 0	2 7 9
Argyll	70,902	422	·60	11,272	26 14 0	0 3 2
Ayr	268,337	26,111	9·73	920,127	35 5 0	3 8 7
Banff	61,402	522	·85	9,675	18 11 0	0 3 2
Berwick	29,643	260	·88	5,746	22 2 0	0 3 11
Bute	18,186	100	·55	2,014	20 3 0	0 2 3
Caithness	32,010	1,468	4·59	21,445	14 12 0	0 13 5
Clackmannan	31,121	8,236	26·46	333,709	40 10 0	10 14 5
Dumbarton	139,831	18,051	12·91	723,917	40 2 0	5 3 6
Dumfries	72,825	3,187	4·38	92,044	28 18 0	1 5 3
Edinburgh	507,666	65,451	12·89	2,636,101	40 6 0	5 3 10
Elgin	43,427	108	·25	2,060	19 1 0	0 0 11
Fife	267,739	31,492	11·76	1,313,469	41 14 0	4 18 1
Forfar	281,417	32,225	11·45	672,326	20 17 0	2 7 9
Haddington	43,254	4,836	11·18	202,635	41 18 0	4 13 9
Inverness	87,272	271	·31	4,702	17 7 0	0 1 1
Kincardine	41,008	324	·79	3,497	10 16 0	0 1 8
Kinross	7,527	289	3·84	7,791	26 19 0	1 0 9
Kirkcudbright	38,367	187	·49	4,712	25 4 0	0 2 6
Lanark	1,447,034	110,082	7·61	4,322,184	39 5 0	2 19 9
Linlithgow	80,155	8,192	10·22	349,914	42 14 0	1 7 4
Nairn	9,319	...	...	...	...	...
Orkney	25,897	...	...	...	...	...
Peebles	15,258	1,643	10·77	89,251	54 6 0	5 17 0
Perth	124,342	10,901	8·77	324,908	29 16 0	2 12 3
Renfrew	314,552	30,940	9·84	1,061,813	34 6 0	3 7 6
Ross and Cromarty	77,364	...	...	...	...	...
Roxburgh	47,192	4,978	10·55	167,530	33 13 0	3 11 0
Selkirk	24,601	3,404	13·84	146,435	43 0 0	5 19 0
Shetland	27,911	190	·68	1,840	9 14 0	0 1 4
Stirling	160,991	22,457	13·06	1,061,698	47 6 0	6 11 11
Sutherland	20,179	...	...	...	...	...
Wigtown	31,998	123	·38	4,411	35 17 0	0 2 9
Scotland as a whole	4,760,904	406,411	8·54	15,242,951	37 10 0	3 4 0

* From reports compiled by the Co-operative Survey Committee. † Official Census Report.

APPENDIX IV.

STATISTICS OF MEMBERSHIP AND TRADE OF SOCIETIES IN SCOTLAND IN 1918.*

COUNTY.	Population.	Membership 1918.	Per Cent. of Population.	RETAIL TRADE 1918.		
				Total.	Per Member.	Per Head of Population.
				£	£ s. d.	£ s. d.
Aberdeen	312,177	33,027	10·58	1,256,104	38 1 0	4 0 6
Argyll	70,902	596	·84	21,107	35 8 0	0 5 11
Ayr	268,337	38,278	14·26	2,153,530	56 5 0	8 0 6
Banff	61,402	501	·82	7,275	14 10 0	0 2 4
Berwick	29,643	127	·43	5,040	39 15 0	0 3 5
Bute	18,186	121	·67	4,020	33 4 0	0 4 5
Caithness	32,010	1,622	5·07	38,354	23 13 0	1 4 0
Clackmannan	31,121	10,355	33·27	615,971	59 10 0	19 15 10
Dumbarton	139,831	27,390	19·59	2,111,911	77 2 0	15 2 0
Dumfries	72,825	5,820	7·99	253,045	43 10 0	3 9 6
Edinburgh	507,666	88,293	17·39	4,718,258	53 9 0	9 5 11
Elgin	43,427	430	·99	4,689	10 18 0	0 2 2
Fife	267,739	46,476	17·36	2,636,777	56 15 0	9 17 0
Forfar	281,417	34,722	12·34	1,056,473	30 9 0	3 15 1
Haddington	43,254	5,964	13·79	381,766	64 0 0	8 16 6
Inverness	87,272	476	·55	12,937	27 4 0	0 3 0
Kincardine	41,008	...	...	...	...	...
Kinross	7,527	315	4·18	11,441	36 6 0	1 10 5
Kirkcudbright	38,367	270	·70	10,904	40 8 0	0 5 8
Lanark	1,447,034	165,894	11·46	10,678,635	64 7 0	7 7 7
Linlithgow	80,155	10,795	13·47	731,561	67 15 0	9 2 6
Nairn	9,319	...	...	...	...	...
Orkney	25,897	...	...	...	...	...
Peebles	15,258	2,146	14·06	129,613	60 8 0	8 9 11
Perth	124,342	13,297	10·69	500,430	37 13 0	4 0 6
Renfrew	314,552	49,173	15·63	2,801,428	56 19 0	8 18 1
Ross and Cromarty	77,364	...	...	...	...	...
Roxburgh	47,192	5,395	11·43	253,140	46 18 0	5 7 3
Selkirk	24,601	4,007	16·29	220,545	55 1 0	8 19 4
Shetland	27,911	...	...	...	...	...
Stirling	160,991	29,527	18·34	2,029,303	68 15 0	12 12 0
Sutherland	20,179	...	...	...	...	...
Wigtown	31,998	368	1·15	17,349	47 3 0	0 10 10
Scotland as a whole	4,760,904†	575,385‡	12·09‡	32,661,525	56 15 0	6 17 2

* Specially compiled by Co-operative Union Statistical Department. † Population taken at last Census.

‡ The majority of members are heads of families. At last Census the average number of members of each family in Scotland was 5·1.

APPENDIX V.

ORIGINAL PLAN OF THE S.C.W.S.

The following is the first plan of the S.C.W.S. as sent out by the Conference Committee to all the societies in Scotland, with an invitation to join the society. The plan was published in the *Scottish Co-operator*, 1867, and was not republished till Mr Maxwell's "History" appeared.

OBJECTS AIMED AT.

First: In the retail stores individuals unite their purchases for two reasons—namely, they prevent the frauds of the retail dealers in adulteration, light weight, etc.; and they economise the expense of distribution. The wholesale agency proposes to advance a step further in the same direction by aggregating the purchases of the various stores. It would dispense with the wholesale dealer, as the retail store has ceased to employ the retail dealer, thus coming into closer contact with the producers and with large purchasers and also commanding the best markets, thereby securing an additional guarantee for purer articles.

Second: To consolidate and extend the movement by increased facilities for the formation of retail stores, as through the wholesale agency they would reap at once the full benefits of a larger experience, and so be secure from the danger of imposition; and through the increase of retail stores, the wholesale agency would be more firmly established, its sphere of usefulness extended, and its power to benefit working-men increased and still more fully developed.

ADVANTAGES TO BE SECURED.

First: If, through the action of the retail stores, an actual saving can be effected, wealth arrested and distributed over many, which under the old system of selling would have swelled the fortunes of a few, so in like manner the Wholesale Society, which is simply a union of stores as the store is a union of individuals, can arrest wealth at a still earlier period for the benefit of the store.

Second: In purchasing through a wholesale agency, retail societies are in a position to employ first-rate skill, which in an isolated state would be impossible, except for a few of the largest—and even they would hesitate to pay the wages to obtain first-class purchasers; but, by uniting, the expenses are reduced to the minimum, and even the poorest stores can reap the full benefit, as the expenses are paid by the wholesale agency, and do not encroach on the present profits of the stores.

CONDITIONS ESSENTIAL TO SUCCESS.

Unbounded faith in the progress of Co-operation and in the abilities and honesty of ourselves as working-men; for, if we have successfully united to secure the profits of the retail dealer, the obvious inference is, we can as easily secure the profits of the wholesale dealer—the principle is the same: a certain demand makes a sure profit; and if working-men have always been found able to conduct the business of the retail stores, do not doubt but that they will be found, when required, for the wholesale agency also.

For these reasons we would respectfully urge upon all Co-operative societies to take advantage of the wholesale agency and join it at its start; by doing so their stability will be increased and the Wholesale Society placed in a position of security. The cost of membership to the poorest society should be no obstacle. To raise at intervals of three months one shilling per member, on which sum they will receive five per cent. per annum, can surely be made up by any society professing the principle. Should the Scottish Co-operative Wholesale Society at any time be improperly managed, we have little fear but that the intelligence and experience which a very large number of working-men now possess of the practical management of Co-operative societies will develop the business of the Wholesale Society to a successful issue.

APPENDIX VI.

FIRST QUARTERLY REPORT AND BOARD OF DIRECTORS.

ENROLLED, APRIL 20, 1868,

Under the Provisions of the Industrial and Provident Societies Act, 20th August 1867, 30 *and* 31 *Vict., Cap.* 117, *Sec.* 34.

BUSINESS COMMENCED 8th SEPTEMBER 1868.

SHARES, £5 EACH, WITHDRAWABLE.

President.

Mr GEORGE MERRYLEES, Kilmarnock.

Secretary.

Mr JOHN ALLAN, Barrhead.

Treasurer.

Mr G. THOMSON, Glasgow.

Directors.

Mr JOHN HALL, Portobello.
Mr DANIEL KAY, Alva.
Mr WILLIAM SMITH, Lochgelly.
Mr A. MELDRUM, Bannockburn.
Mr GEORGE DODDS, Penicuik.
Mr RICHARD LEES, Edinburgh.

Auditors.

Mr ARCHIBALD M'LEAN, Govan.
Mr JAMES INGLIS, Paisley.

Cashier and Manager.

Mr JAS. BORROWMAN, Glasgow.

Buyer.

Mr JAS. MARSHALL, Glasgow.

Bankers.

UNION BANK OF SCOTLAND.

Head Office and Place of Business.

15 MADEIRA COURT, 257 ARGYLE STREET, GLASGOW.

OBJECT.

To carry on the trade of General Wholesale Dealers, by aggregating the purchasing powers of the various Co-operative Societies, thus bringing the producers and consumers nearer each other, thereby augmenting the individual consumer's profit. The profits on the wholesale business being added to those of the retail trade.

In presenting for your approval this, our First Report and Balance-Sheet, your Directors take the opportunity of stating that this organisation of Societies is now, to a certain extent, successfully established; and although the business done may not have realised the expectations of the more sanguine of its promoters, still it is such as warrants the conclusion that the decided success of this advanced movement in

Co-operation is merely a question of time, and only requires the active and consistent support of the various Stores to place the wholesale trade on the same co-operative platform of profit as the retail trade at present stands. To assist in securing this end, your Directors anxiously invite the Committees of Societies, at all times, freely and fearlessly to express themselves on all matters calculated to give efficiency and stability to the undertaking; such a course will enable them to amend and improve the management, and materially assist them in their efforts to consolidate and extend your trade, also, to increase and develop the resources of this Society. Your Directors consider it their duty to state that it is on this intelligent policy of Societies that they mainly rely for success in their efforts to realise the benefits, to secure which this Society was instituted. Your Directors are proud to state that the Balance-Sheet is a conclusive argument that most of the Societies who are members have faithfully done their duty. They also gratefully acknowledge the generous support they have received from a few Societies who are as yet non-members, and express the hope that they may soon see their way to become members of this Society. They regret, however, that a few Societies who are members have failed to purchase as they could have done, the more especially as they have not seen it to be their duty to assign any reason for this ruinous line of conduct. The Directors would respectfully urge on these Societies to re-consider the claims of this Society, and to adopt a more enlightened policy in the future. They would also earnestly request from those Societies who have hitherto stood aloof from this movement a *fair trial*, as they are confident that, with increased sales, the benefits sought to be obtained will become so self-evident, that even the most sceptical will join in this movement. They need hardly insist on the truism that a certain amount of the profit must be absorbed by the working expenses, but they deem it right to state that the present expenses are sufficient to overtake a greatly increased business, which increase, as a matter of course, would yield a larger margin of divisible profit.

Your Directors embrace this opportunity to explain that the variety of goods kept in stock made it imperative to have a larger amount of working capital than was at first anticipated, and for the prompt and generous response made by Societies to their appeal for loan capital, they desire to express their grateful sense of the confidence so practically expressed.

The business has steadily increased during the quarter, the Sales being now fully £1,000 weekly. For the quarter we have sold £9,697, 6s. 1d., the Profit on which, after paying all Working Expenses, is £48, 12s. 10½d., which, subject to your approval, we propose to place into a Reserve Fund. The Working Expenses for the quarter are 4⅛d. per £ on goods sold.

Your Directors feel satisfied that with a steady and increased consumpt they could arrange for several articles to be delivered to the Stores carriage paid, thus securing additional advantages for all.

APPENDIX VII.

THE FOLLOWING ACCOUNT OF THE OPENING OF THE CENTRAL PREMISES AT 95 MORRISON STREET APPEARED IN THE "CO-OPERATIVE NEWS" IN THE FIRST ISSUE FOR JANUARY 1897.

In the procession somewhere about 350 vehicles were brought into requisition, and about 200 of them were those used by the various societies in the conduct of business. Many of the lorries were fitted up with awnings carried on four posts, and seats provided for the members of the societies being conveyed through the city, while the horses were gaily decked with many-coloured ribbons and artificial flowers.

The productive and the city societies, owing to their greater facilities, had much larger contingents than those coming from a distance, but the general appearance and the fine quality of the horses were the subject of much comment among the thousands of people who lined the streets along the route of the procession. Shortly after ten o'clock some of the country representatives began to arrive, and, on account of the excellent organisation of Mr Caldwell and his assistants, who were mounted on horseback, in conjunction with the aid rendered by the police, a start was made from the Green very shortly after the time set down on the programme.

The Scottish Farming Association had six pair of horses, with riders, as if starting for a day's work in the fields, and a milk cart, over which was a model plough with the motto, "We are jolly good fellows who follow the plough." The Scottish Wholesale had fifty-six vehicles drawn by sixty-five horses, and being the first Society in the procession proper, their leading lorry was drawn by six horses with outriders, and on the front of the draping was a portrait of Robert Owen, the pioneer of the Co-operative movement. Figures detailing the trade done by the various departments were displayed prominently, and among them were the sales for 1896, amounting to £3,449,465, profits and interest to £176,154, while the number of employees was put down at 4,635. This division clearly indicated the employees at Shieldhall had not been idle. The Cabinet Factory had models of the various articles of furniture made by them, in addition to a circular saw cutting a log of wood, while the upholstery showed a crocodile from which they obtain skins to cover suites, etc. The Shirt Department had a representation of a hovel, in which sat an old woman in squalid surroundings making shirts, over the top of which was the well-known couplet from Tom Hood's "Song of the Shirt." Immediately following this were a number of neatly dressed young ladies making these garments with the appliances used in modern factories. The Printers had machines at work throwing off Co-operative literature, which was being spread broadcast among the spectators; and, among other things, a chapel, with the old man and the inevitable "devil." The Hosiery Department also gave an object-lesson by contrast. In the foreground of the lorry was a girl in ancient costume, knitting with her ordinary needles, while behind was the modern hosiery machine in operation. The Boot and Shoe Factory had tanners, etc., at work, and displayed the facts that 12,000 skins, valued

at £30,000, were tanned annually, and a million pairs of boots were sold in a year. The Tobacco, Tinware, Preserves, Clothing, and other departments, all did their part in making a splendid exhibition, and the Shieldhall Fire Brigade on a hose carriage made a good finish.

The United Baking Society had an excellent turnout, there being some sixty vehicles between vans and other conveyances. A magnificent brides-cake standing on a base of green velvet was a source of admiration specially among the young ladies who lined the route. Among other outstanding features was a case with corn and flour surmounted by two large loaves. Among the mottoes here were some which were very appropriate, *e.g.*, " We knead the staff of life," " Fewer millionaires, fewer paupers," " We check the growth of large fortunes." The directors of this society also put the windows of the tearooms at the Glasgow Cross at the disposal of a large company, who got an excellent view of the procession as it passed the corner, and arranged for the drivers and all those who had helped in their arrangements for the day returning to M'Neil Street, where a substantial tea was prepared for them.

Kinning Park was represented by twenty-nine vehicles, and in addition to the usual mottoes they had a model dairy at work, and a lorry load of sheep and pigs in pens. The sausage department was also made prominent by strings of black and white puddings, the whole being preceded by the society's banner bearing a representation of their central premises. Broxburn had a most tasteful exhibit in the form of two bridescakes in the centre of the vehicle, with a small bag of flour in each corner. St George had fourteen horses present, and gave details of the rapid progress the society had been and was still making in the western district of the city. They claimed to be the pioneers " of short hours and half holidays," and wished " a guid new year tae their best freens the traders." A statement, which the sanitary inspector will be sure to take note of, was the fact that they had sold £9,750 worth of milk, while the value of water was £0. Glasgow Eastern, with seventeen vehicles, had a little boy of three or four summers dressed as a carter, and riding on horseback. Blantyre had a butcher's van surmounted by a beautiful pair of horns ; and Hamilton Central had a representation of a country cottage, which betokened comfort and plenty, and bore the name of " Thrift Cottage."

Paisley Manufacturing had a loom at work weaving tartans, and the Underwood Coal Company a cart of coal, with the motto, " We will gie ye comfort " A cartoon displayed by the Barrhead Society caused much amusement. It portrayed the message-boy in a Co-operative society getting 6/ a week meeting a companion who filled a similar position in the establishment of a private trader, labouring under a heavy load at a late hour of the night, and getting the handsome salary of 2/6 per week. The other societies represented were Burnbank, Gilbertfield, Tollcross, Shettleston, Uddingston, Newmains, Cambusnethan, Dumbarton, Drapery and Furnishing (Glasgow), Cowlairs, Kirkintilloch, St Rollox, Paisley Provident, Kilbarchan, and Pollokshaws, all of which had their share in the success of the demonstration. The whole was preceded by over 800 delegates in brakes, and the route followed was by way of London Street, Trongate, Queen Street, St Vincent Street, Renfield Street, Union Street, Jamaica Street, Bridge Street, King Street, and Paisley Road to Morrison Street, where a crowd of close upon 3,000 had congregated in front of the new building, which covers an acre of ground purchased about three years ago at £4, 6s. per yard.—*Co-operative News, 9th January* 1897.

STATEMENT SHOWING PROGRESS

No.		Year or Quarter ending	No of Shares Subscribed Societies.	No. of Shares Subscribed Employees.	Capital—includes Shares, Deposits, Reserve, and Insurance Funds.	Net Sales.
1	1st Quarter	Dec. 7, 1868	...	...	£1,795 0 0	£9,697 7 1
2	1st Year	Dec. 5, 1869	...	...	5,174 17 4	81,094 2 6
3	2nd ,,	Nov. 19, 1870	...	...	12,542 17 9	105,249 12 4
4	3rd ,,	Nov. 18, 1871	...	...	18,009 3 1	162.658 7 7
5	4th ,,	Nov. 16, 1872	18,708	...	30,931 5 3	262,530 19 10
6	5th ,,	Nov. 15, 1873	21,271	...	50,433 3 5	384,489 4 0
7	6th ,,	Nov. 14, 1874	24,651	...	48,981 15 6	409,947 7 9
8	7th ,,	Nov. 13, 1875	27,112	...	56,750 16 0	430,169 7 11
9	8th ,,	Nov. 4, 1876	29,008	...	67,218 18 5	457,529 0 4
10	9th ,,	Nov. 3, 1877	31,945	...	72,568 12 9	589.221 9 3
11	10th ,,	Nov. 2, 1878	34,830	...	83,173 17 8	600,590 9 8
12	11th ,,	Nov. 2, 1879	36,008	...	93,076 18 9	630,097 11 10
13	12th ,,	Oct. 30, 1880	41,584	...	110,179 2 11	845.221 15 6
14	13th ,,	Nov. 5, 1881	49,073	...	135,713 7 10	986,646 13 8
15	14th ,,	Nov. 4, 1882	53,684	...	169,428 13 5	1,100,588 16 6
16	15th ,,	Nov. 3, 1883	59.529	...	195.396 11 0	1,253,154 7 1
17	16th ,,	Nov. 1, 1884	65,331	...	244,186 10 9	1,300,331 10 1
18	17th ,,	Oct. 31, 1885	70,066	...	288,945 16 1	1,438,220 7 8
19	18th ,,	Dec. 25, 1886	79.874	...	333,653 1 0	1,857,152 0 4
20	19th ,,	Dec. 31, 1887	87,220	...	367,309 4 0	1,810,015 15 6
21	20th ,,	Dec. 29, 1888	96,521	...	409.668 15 1	1,963,853 16 2
22	21st ,,	Dec. 28, 1889	107,004	...	480.622 2 6	2,273,782 0 7
23	22nd ,,	Dec. 27, 1890	117,664	...	575,322 5 11	2,475,601 9 3
24	23rd ,,	Dec. 26, 1891	131,086	...	671,108 14 1	2,828,036 16 7
25	24th ,,	Dec. 31, 1892	139,022	...	778,494 13 4	3,104,768 8 7
26	25th ,,	Dec. 30, 1893	149,164	2,726	869,756 5 10	3,135,562 7 8
27	26th ,,	Dec. 29, 1894	159,820	2,629	940,835 15 7	3,056,582 18 9
28	27th ,,	Dec. 28, 1895	171,985	3,099	1,134,269 19 6	3,449,461 10 9
29	28th ,,	Dec. 26, 1896	189,763	3,194	1,237,317 14 0	3,822,580 17 6
30	29th ,,	Dec. 25, 1897	211,859	4,308	1,286,624 4 4	4,405,854 3 7
31	30th ,,	Dec. 31, 1898	223,669	5,054	1,333,077 19 9	4,692,330 9 9
32	31st ,,	Dec. 30, 1899	240,873	5,629	1,457,645 4 10	5,014,189 0 5
33	32nd ,,	Dec. 29, 1900	251,376	6,481	1,676,765 7 2	5,463,631 2 8
34	33rd ,,	Dec. 28, 1901	270,920	7,059	1,929,113 18 5	5,700,743 7 3
35	34th ,,	Dec. 27, 1902	281,258	7,471	2,125,133 12 11	6,059,119 5 2
36	35th ,,	Dec. 26, 1903	301,479	8,487	2,314,955 14 8	6,395,487 15 10
37	36th ,,	Dec. 31, 1904	321,112	10,415	2,500,063 17 10	6,801,272 8 8
38	37th ,,	Dec. 30, 1905	345,226	12,271	2,780,729 6 7	6,939,738 6 0
39	38th ,,	Dec. 29, 1906	365,907	12,863	2,950,620 12 2	7,140,182 10 10
40	39th ,,	Dec. 28, 1907	381.271	13,486	3,059,245 2 9	7,603,460 7 0
41	40th ,,	Dec. 26, 1908	393,549	14,206	3,292,045 14 7	7,531,126 8 0
42	41st ,,	Dec. 25, 1909	400,618	15,159	3,346,873 0 9	7,457,136 3 9
43	42nd ,,	Dec. 31, 1910	415,526	15,704	3,455,627 16 6	7,738,158 16 5
44	43rd ,,	Dec. 30, 1911	431,045	16,076	3,838,046 0 2	7,851,079 10 0
45	44th ,,	Dec. 28, 1912	439,969	16,634	4,038,913 12 9	8,391,258 5 2
46	45th ,,	Dec. 27, 1913	451,041	17,824	4,468,463 2 11	8,964,033 12 3
47	46th ,,	Dec. 26, 1914	461,645	18,699	4,954,915 9 4	9,425,383 17 2
48	47th ,,	Dec. 25, 1915	482,673	22,726	5,298,920 3 7½	11,363,075 12 4
49	48th ,,	Dec. 30, 1916	501,604	24,081	5,525,264 8 7½	14,499,037 2 3
50	49th ,,	Dec. 29, 1917	571,458	25,001	5,304,499 1 11	17,083,274 12 2
51	50th ,,	Dec. 28, 1918	597,883	25,791	5,773,569 8 2½	19,216,762 18 7

VIII.

OF THE S. C. W. S (1868–1918).

Gross Total.	Comparison with Corresponding Quarter of previous Year. Increase.	Rate per cent. Increase.	Distributive Expenses.	Rate per £ on Sales.	Net Profit.	No.
...	...	...	£153 5 4	3·8	£48 12 10	1
£90,791 9 7	...	...	1,035 12 8	3·0	1,303 15 0	2
196,041 1 11	£24,155 9 10	29·7	1,549 17 2	3·5	2,418 9 2	3
358,699 9 6	57,408 15 3	54·5	2,180 18 3	3·2	4,131 8 6	4
621,230 9 4	99,872 12 3	61·4	3,469 18 4	3·1	5,435 3 9	5
1,005,719 13 4	121,958 4 2	46·4	5,055 15 7	3·1	7,445 19 1	6
1,415,667 1 1	25,458 3 9	6·6	6,696 14 2	3·9	7,553 5 2	7
1,845,836 9 0	20,222 0 2	4·9	7,137 15 5	3·9	8,232 11 6	8
2,303,365 9 4	27,359 12 5	6·3	7,540 2 8	3·9	8,836 2 3	9
2,892,586 18 7	131,692 8 11	28·7	8,648 16 7	3·5	10,925 8 3	10
3,493,177 8 3	11,369 0 5	1·9	10,095 15 8	4·0	11,968 1 9	11
4,123,275 0 1	29,507 2 2	4·9	11,117 5 2	4·2	14,988 19 6	12
4,968,496 15 7	215,124 3 8	34·1	13,020 9 1	3·7	21,685 4 8	13
5,955,143 9 3	141,424 18 2	16·7	15,757 3 4	3·8	23,981 9 0	14
7,055,732 5 9	113,942 2 10	11·5	19,686 0 6	4·2	23,219 14 6	15
8,308,886 12 10	152,565 16 7	13·8	22,120 2 2	4·2	28,365 18 5	16
9,609,218 2 11	47,177 3 0	3·7	24,307 14 3	4·5	29,434 13 9	17
11,047,438 10 7	137,888 17 7	10·6	27,314 8 9	4·5	39,641 8 4	18
12,904,590 11 11	418,931 12 8	29·1	36,942 11 0	4·7	50,398 13 10	19
14,714,606 6 5	153,965 17 5	9·2	35,800 6 4	4·7	47,278 6 5	20
16,678,460 2 7	178,897 10 2	10·0	39,411 19 4	4·8	53,538 17 3	21
18,952,242 3 2	309,928 4 5	15·7	44,311 8 0	4·6	61,756 14 3	22
21,427,843 12 5	201,819 8 8	8·8	49,641 16 2	4·8	76,545 16 2	23
24,255,880 9 0	352,435 7 4	14·2	58,140 17 7	4·8	89,090 12 7	24
27,560,648 17 7	276,731 12 0	9·7	64,905 10 11	5·0	96,027 3 10	25
30,496,215 5 3	30,793 19 1	5·0	72,655 15 4	5·5	89,116 6 1	26
33,552,794 4 0	*78,979 8 11	*6·5	75,816 13 9	5·9	88,452 0 3	27
37,002,655 14 9	392,878 12 0	12·8	79,008 7 6	5·4	132,374 7 4	28
40,824,836 12 3	373,119 6 9	10·8	84,044 12 6	5·2	174,982 0 2	29
65,230,690 15 10	583,273 6 1	15·2	96,782 8 8	5·2	156,341 12 1	30
49,923,021 5 7	286,476 6 2	6·5	111,537 7 11	5·7	165,580 11 10	31
54,937,210 6 0	321,851 10 8	6·8	115,881 12 2	5·6	213,596 15 3	32
60,400,841 8 8	449,442 2 3	8·9	126,027 1 11	5·6	222,366 12 0	33
66,101,584 15 11	237,112 4 7	4·3	133,458 12 9	5·7	231,686 9 9	34
72,160,704 1 1	358,375 17 11	6·2	146,872 11 7	5·8	239,001 17 9	35
78,556,191 16 11	536,368 10 8	5·5	154,408 4 9	5·8	239,321 18 11	36
85,357,464 5 7	405,784 12 10	6·3	160,335 11 8	5·8	269,601 12 8	37
92,297,202 11 7	138,465 17 4	2·0	164,436 1 1	5·8	250,680 7 6	38
99,437,385 2 5	200,444 4 10	2·8	169,013 10 0	5·7	280,434 12 6	39
107,040,845 9 5	463,277 16 2	6·4	178,538 6 0	5·7	289,197 16 10	40
114,571,971 17 5	*72,333 19 0	*0·9	186,537 4 0	6·0	263,577 6 4	41
122,029,108 1 2	*73,990 4 3	*0·9	188,523 19 2	6·0	271,926 18 6	42
129,767,266 17 7	281,022 12 8	3·8	195,737 16 7	6·1	273,563 18 7	43
137,618,346 7 7	112,920 13 7	1·5	199,900 11 11	6·2	308,890 10 10	44
146,009,604 12 9	540,178 15 2	7·0	205,636 8 8	6·0	301,154 1 6	45
154,973,638 5 0	572,775 7 1	6·8	216,255 18 5	5·8	340,730 8 2	46
164,399,022 2 2	461,350 4 11	5·1	228,255 9 6	5·8	93,115 16 6	47
175,762,097 14 6	1,937,691 15 2	20·5	230,943 6 5	4·8	56,546 12 4½	48
190,261,134 16 9	3,135,961 9 11	27·6	255,647 11 3	4·2	501,531 13 10	49
207,344,469 8 11	2,584,237 9 11	17·8	299,731 10 8½	4·2	408,209 4 8½	50
226,561,172 7 6	2,133,488 6 5	12·5	354,262 3 3½	4·4	481,318 0 8½	51

*Decrease.

STATEMENT SHOWING PROGRESS

No.	Total Net Profit.	Average Dividend.	Reserve and Insurance Funds.		
			Added.	Withdrawn.	Total Amount.
1	...	...	£48 12 10	...	...
2	£1,352 7 0	3½d	63 9 11	...	£112 2 9
3	3,770 17 0	4¾	324 3 2	...	436 5 11
4	7,902 5 6	5¼	578 5 5	...	1,014 11 4
5	13,337 9 3	4¾	471 6 6	...	1,485 17 10
6	20,783 8 4	4¾	355 13 2	£141 11 0	1,700 0 0
7	28,336 13 6	4¼	1,049 2 7	104 3 4	2,644 19 3
8	36,569 5 0	4	338 13 6	580 19 11	2,402 12 10
9	45,405 7 3	4	791 11 3	672 4 0	2,522 0 11
10	56,330 15 6	4	918 18 8	343 9 6	3,097 10 1
11	68,298 17 3	4	721 13 0	269 9 3	3,549 13 10
12	83,287 16 9	4¾	2,215 18 9	160 12 6	5,606 0 1
13	104,973 1 5	6¾	3,134 12 4	336 2 5	8,404 10 0
14	128,954 10 5	6	3,086 5 5	2,694 6 6	8,796 8 11
15	152,174 4 11	5½	3,824 2 5	334 0 2	12,286 11 2
16	180,540 3 4	5¾	3,801 16 4	1,530 16 3	14,557 11 3
17	209,974 17 1	5½	4,428 11 7	1,525 0 6	17,471 2 4
18	249,616 5 5	6¾	4,393 12 10	610 10 7	21,254 4 7
19	300,014 19 3	6½	5,528 0 0	1,315 0 7	25,566 10 6
20	347,293 5 8	6¾	8,474 8 10	1,389 9 3	32,651 11 1
21	400,832 2 11	6¼	7,615 18 9	3,392 13 6	36,874 16 4
22	462,588 17 2	6½	10,244 18 5	2,941 18 8	44,177 16 1
23	539,134 13 4	7	10,636 6 10	1,931 12 11	52,882 10 0
24	628,225 5 11	6¾	12,326 9 8	3,362 13 2	61,846 6 6
25	724,252 9 9	6¾	17,353 2 7	5,052 1 0	74,147 9 1
26	813,368 15 10	6¼	15,205 16 0	4,004 8 7	85,348 13 6
27	901,820 16 1	6	14,839 10 1	34,460 2 1	65,728 1 6
28	1,034,195 3 5	7	16,685 10 3	3,782 8 8	78,931 3 1
29	1,209,177 3 7	7¾	29,712 9 6	4,878 0 7	103,765 12 0
30	1,365,518 15 8	8	23,183 5 7	3,381 17 5	123,567 0 2
31	1,531,099 7 6	7	29,473 7 6	5,933 8 2	147,106 19 6
32	1,744,696 2 9	8	36,256 10 8	6,557 4 10	176,806 5 4
33	1,967,062 14 9	8	43,061 19 4	6,443 0 6	213,425 4 2
34	2,198,749 4 6	8	54,048 13 8	6,926 1 4	260,547 16 6
35	2,437,751 2 3	8	46,215 11 10	5,220 17 11	301,542 10 5
36	2,677,073 1 2	8	44,107 3 5	10,151 14 2	335,497 19 8
37	2,946,674 13 10	8	40,883 4 6	8,189 8 7	368,191 15 7
38	3,197,355 1 4	8	48,173 1 1	8,540 13 8	407,824 3 0
39	3,477,789 13 10	8	48,110 1 4	11,231 15 8	444,702 8 8
40	3,766,987 10 8	8	47,448 2 11	8,949 10 9	483,201 0 10
41	4,030,564 17 0	8	48,998 6 4	6,811 4 5	525,388 2 9
42	4,302,491 15 6	8	50,454 8 0	8,138 0 11	567,703 19 10
43	4,576,055 14 1	8	54,270 10 4	12,880 18 8	609,093 11 6
44	4,884,946 4 11	8d. & 1d. Spec.	87,519 19 6	30,025 17 4	666,587 13 8
45	5,186,100 6 5	8	60,662 4 10	21,576 11 3	705,673 7 3
46	5,526,830 14 7	8	67,538 14 10	39,112 17 8	734,099 4 5
47	5,919,946 11 1	8½	102,797 5 7	57,988 6 5	778,908 3 7
48	6,376,493 3 5½	9	65,202 0 5	21,827 14 10	822,282 9 2
49	76,78,024 17 3½	8	80,321 0 11	22,034 18 8	880,568 11 5
50	7,286,234 2 0	5½	110,283 1 4	40,426 7 3	950,425 5 6
51	7,767,525 2 8½	5½	197,755 4 3	25,556 5 2	1,122,624 7 4

VIII. (continued).

OF THE S. C. W. S. (1868–1918).

Depreciations allowed on Buildings and Fixtures.		Ironworks.	No.
Amount.	Total Amount.	Amount.	
£9 17 0	...	...	1
129 2 2	£138 19 2	...	2
111 1 3	250 0 5	...	3
205 11 10	455 12 3	...	4
346 6 6	801 18 9	...	5
657 6 1	1,459 4 10	...	6
784 7 0	2,243 11 10	...	7
321 18 5	2,565 10 3	£1,792 7 4	8
452 1 9	3,017 12 0	1,906 7 3	9
485 19 5	3,503 11 5	2,455 1 7	10
1,155 18 0	4,659 9 5	2,502 9 0	11
1,336 8 8	5,995 18 1	1,557 19 9	12
1,086 11 4	7,082 9 5	...	13
1,653 5 1	8,735 14 6	...	14
1,688 11 5	10,424 5 11	...	15
2,420 9 4	12,844 15 3	...	16
2,039 15 8	14,884 10 11	...	17
3,475 7 0	18,359 17 11	...	18
2,980 15 4	21,340 13 3	...	19
3,019 17 0	24,360 10 3	...	20
8,170 7 5	32,530 17 8	...	21
6,284 10 9	38,815 8 5	...	22
6,843 13 4	45,659 1 9	...	23
11,433 2 7	57,092 4 4	...	24
10,219 7 11	67,311 12 3	...	25
14,201 3 3	81,512 15 6	...	26
48,404 12 6	129,917 8 0	...	27
35,871 10 5	165,788 18 5	...	28
41,454 7 10	207,243 6 3	...	29
33,869 6 3	241,112 12 6	...	30
52,997 2 9	294,109 15 3	...	31
47,312 15 0	361,422 10 3	...	32
52,168 6 3	413,590 16 6	...	33
42,090 4 7	455,681 1 1	...	34
52,439 15 4	508,120 16 5	...	35
47,825 9 4	555,946 5 9	...	36
82,611 19 11	638,558 5 8	...	37
50,637 15 2	689,196 0 10	...	38
73,035 14 3	762,231 15 1	...	39
62,481 2 4	824,712 17 5	...	40
53,117 4 5	877,830 1 10	...	41
62,111 11 1	939,941 12 11	...	42
58,739 1 1	998,680 14 0	...	43
65,652 5 0	1,064,332 19 0	...	44
53,552 11 7	1,117,885 10 7	...	45
78,022 7 9	1,195,907 18 4	...	46
83,875 13 6	1,279,783 11 10	...	47
63,378 3 9	1,343,161 15 7	...	48
77,431 5 5	1,420,593 1 0	...	49
67,302 1 4	1,487,895 2 4	...	50
79,497 8 2	1,567,392 10 6	...	51

THE S.C.W.S. CAPITAL ACCOUNT

(As published in the Balance-Sheet for the 200th and 201st Quarters).

LIABILITIES.

To Sundry Creditors—						
Due for Goods, Freight, etc. (including Reserve Balances)			£858,273	8	2	
Accounts Paid in Advance			128,329	2	2	
Due for Cartage Rebate for November and December 1918			266	1	7	
Balance of Prepaid Account			5,466	6	9	
						£992,334 18 8
,, Non-Members—						
Deposits, including Interest and Dividend			£89,116	8	10	
Deposits, Private, including Interest			124,638	2	10	
Employees' Deposit Account			16,176	10	9	
Reserved for Bonus Equivalent for Half-year			5,000	0	0	
						234,931 2 5
,, Members—						
597,883 Societies' Shares, at 20/ each	£597,883	0 0				
Less Amount Unpaid	422	3 4				
			£597,460	16	8	
Deposits at 6 months' notice of withdrawal			3,088,011	8	3	
,, at call			341,545	14	11	
Interest on Share Capital			14,801	5	5	
,, Deposits			76,031	10	9	
Dividend			174,788	7	2	
Total			£4,292,639	3	2	
25,791 Employees' Shares at 20/ each (675 employees)	£25,791	0 0				
Less Amount Unpaid	2,161	7 9				
	£23,629	12 3				
Add Interest on Part-paid Shares	96	2 10				
			23,725	15	1	
						4,316,364 18 3
,, Reserves— Total amount of Liabilities						£5,543,630 19 4
Reserve Fund			£607,093	16	1	
Insurance Funds			410,214	0	6	
Reserve Balance, E. & S.C.W.S., London			2,553	15	3	
Special Fund			3,378	12	2	
Special Fund No. 2			511	14	8	
Depreciation of Investments Account			5,000	0	0	
Contingency Fund (including Excess Profits Duty Refund)			105,316	8	0	
Undivided Balance to next Half-year's Account			97,195	7	8½	
						1,231,163 14 4½
						£6,774,794 13 8½

ASSETS.

By Land			£107,337	19	1	
,, Building, Nominal Value			434,876	0	0	
,, Fixed and Live Stock and Machinery, Nominal Value			151,635	0	0	
						£693,848 19 1
,, Wigtownshire Creameries (Joint Purchase with C.W.S.) Net Cost, less Sales and Transfers	£44,852	9 11				
Less Depreciation for Half-year, charged Trade Account	746	9 11				
			£44,106	0	0	
,, Ayrshire Creamery (Joint purchase with C.W.S.) Net Cost	£9,500	0 0				
Less Depreciation for Half-year, charged Trade Account	38	0 0				
			9,462	0	0	
						53,568 0 0
,, Stock on hand—Distributive Departments			£1,638,047	0	0	
,, ,, Productive			1,077,028	0	0	
,, Due for Goods			5,55197	8	7	
,, Due by Cheese Control			7,250	0	0	
,, Due by Flour Mills Control Committee			49,213	17	3	
,, Stock of Health and Unemployment Stamps			532	13	8	
						3,327,298 19 6
,, Investments—Share, per Account			£3,065	15	0	
,, ,, Loan, ,,			1,683,783	8	8	
,, E. and S. Co-operative Wholesale Societies, London—Investment and Interest			201,500	0	0	
,, E. and S. Co-operative Wholesale Societies, London—Reserve			2,553	15	3	
,, Advances to Societies, with Interest to date, and Income Tax due			45,431	1	2	
,, E. and S. Co-operative Insurance Society—Investment and Interest			4,100	0	0	
						1,940,434 0 1
,, Cash Balance, Bank Account			£706,646	2	4	
,, ,, Cash Account			52,998	12	8½	
						759,644 15 0½
Total amount of Assets						£6,774,794 13 8½

APPENDIX X.

LAND IN POSSESSION OF S.C.W.S.

Date of Purchase.	Site.	Cost.	Nominal Value.	Area.	Burdens: Feu Duty or Ground Annual.
		£ s. d.	£ s. d.		£ s. d.
May 1872	Paisley Road ...	5,031 16 8	5,000 0 0	1,437$^{6}/_{9}$sq.yds.	...
„ 1879	Leith	2,004 6 4	2,000 0 0	1,001$^{6}/_{9}$ „	2 0 0
„ 1880	Clarence Street .	862 12 0	...	356$^{2}/_{9}$ „	(1) 26 14 4
„ 1881	Kilmarnock	531 15 10	500 0 0	638 „	(3) 3 12 2
April 1882	Paisley Road ... Gusset	6,000 0 0	...	1074/9 „ 1646/7 „	(3) 17 9 2 29 15 2
June 1883	St James St., 10	2,200 0 0			
„ „	„ 12				
„ „	„ 16	2,000 0 0	6,000 0 0	†400sq.yds.each	(4) 25 0 0
„ „	„ 14	3,050 0 0			
„ „	„ 18				
„ 1886	Clarence Street .	809 16 3	800 0 0	542$^{4}/_{9}$sq.yds	(3) 40 13 8
„ „	Leith	2,782 15 7	2,780 0 0	2,340 „	5 0 0
Mar. 1887	Shieldhall	6,063 5 2	5,950 0 0	12 acres	...
Nov.	Clarence Street .	728 8 10	700 0 0	356$^{6}/_{9}$sq.yds.	(3) 26 5 2
Mar. 1890	Kingston Pl., 6			380½sq.yds.	
„ „	„ 2			319 „	
„ „	„ 8	4,461 1 7	4,440 0 0	*400 „	(4) 16 0 0
„ „	„ 4			*400 „	
Mar 1891	Crookston St.....	1,238 8 3	1,200 0 0	765$^{5}/_{9}$ „	(5) 57 8 4
Oct. 1891	Crookston St.....	681 3 10	680 0 0	487$^{6}/_{9}$sq.yd.	(3) 35 17 0
					5 19 4
Mar. 1892	Chancelot	...	...	3·055 acres	274 19 0
June „	Morrison, Crookston, & Clarence Streets.....	15,500 0 0	15,500 0 0	3,593$^{1}/_{9}$ sq. yds.	...
May 1893	Parkview	1,670 0 0	1,670 0 0	3,168 „	(2) 31 13 7
„ 1896	Grangemouth ...	...	...	2·173 acres	45 3 9
	Do. water way-l've	...	...	...	2 11 6
April „	Selkirk	...	...	6·125 acres	59 14 3
„ 1897	Junction Mill ...	...	...	2 acres	15 0 0
May „	Chambers Street, Edinburgh	...	...	...	81 5 0
„ 1898	Bladnoch	...	...	1⅜ acre	14 15 0
	Bladnoch	...	...	...	9 0 0
	Do. water way-l've	...	...	...	3 0 0
	Whithorn	...	...	...	15 12 8
„ 1898	Paterson and Dundas Streets	...	...	...	108 2 5
„ 1899	Esplanade,	...	...	...	88 7 1
	Aberdeen				6 5 0
„ 1901	1-6 Maxwelt'n Pl.	...	...	...	(6) 41 13 5
Nov. 1903	Regent Mill	...	...	...	293 11 1
May 1904	Park St., K.P. .	...	...	4,662 sq. yds.	...
„ „	Calderw'd Estate	36,150 0 0	18,820 0 0	1,112 acres.	...
Nov. 1905	Dunfermline	...	...	·312 acre	(7) 7 16 0
	Do. water way-l've	...	...	...	0 10 0
May 1907	Paterson and Morrison Streets	...	...	1,756 sq. yds.	71 4 4
Nov. „	Clarence Street ground annual	200 0 0	200 0 0	...	...
	Dundee, Seagate	...	...	26·8 poles	53 12 0
May 1918	Kirkcaldy	...	...	½ acre	12 10 0
„ „	Morrison St.(27-31)	2,750 0 0	...	...	4 5 0
Aug. „	Paisley	2,000 0 0	...	1 acre 3 roods 27·6 poles	(8) 30 15 2
Nov. „	Chambers Street, Edinburgh ... (Minto House)...	8,000 0 0	...	...	101 17 6
June 1909	Ryelands	...	...	2 roods. 3590 sq. yds.	10 10 7
Jan. 1911	Houston Street and Paisley Rd	5,000 0 0	5,000 0 0	1255 „	...
June 1912	Kilmarnock, Grange Street	...	...	2 rds. 10.yds. 26½ sq. yds.	8 18 3

*Uncertain.

Date of Purchase.	Site.	Cost.	Nominal Value.	Area.	Burdens: Feu Duty or Ground Annual.
		£ s. d.	£ s. d.		£ s. d
Dec. 1912	Smith St., K.P.	...	...	1737½ sq. yds.	126 1 8
Aug. 1913	Galston	...	...	26 falls	9 2 8
Nov. 1913	Wallace St. and Dundas Lane	...	...	3,067 sq.yds.	...
Dec. 1913	Paterson Street	2,400 0 0	2,400 0 0	1,010 sq. yds.	14 19 11
Feb. 1914	Shieldhall (additional) ...	2,075 0 0	2,075 0 0	1½ acre	51 0 0
May 1914	St James Street, Kinning Park.	2,800 0 0	2,800 0 0	3,663 1/9 sq.yds.	82 8 5
„ 1914	Grangemouth (additional) ...	...	...	2,465 sq. yds.	20 7 6
Nov. 1914	Morrison, Clarence, Dundas Streets.....	...	...	3,879 sq. yds.	436 7 9
„ 1914	Morrison and Dundas Streets	...	...	700 sq. yds.	7 0 0
„ 1914	Paisley (additional) ...	...	...	290 sq. yds.	...
Dec. 1914	Kilmarnock	...	...	1 acre 3 poles	26 8 3
May 1915	Buckie.....	...	...	36 poles 7 yards	1 5 0
„ 1915	Galston (additional) ...	...	...	155·33 poles	15 10 8
Nov. 1915	Vicar's Knowe, Selkirk	...	...	2 rd 1 6 7/100 pl.	(9) 10 6 10
„ 1915	Bath St. & Poplar Lane, Leith ...	...	...	6,532 sq. yds.	19 15 4
May 1916	Shieldhall (add.)	4,500 0 0	4,500 0 0	3·355 acres	...
Nov. 1916	Gt. Well'ton St., Kinning Park	11,055 0 0	...	7,363 3/9 sq. yds.	...
April 1917	Taybank Works, Dundee	15,107 7 3	...	1 acre 2 roods 32 pls. 8¾ yds.	81 13 10
Nov. 1917	Springside Estate	12,000 0 0	12,000 0 0	406 acres	...
May 1918	22-80 Crookston Street	...	...	1,957 4/9 sq. yds.	...
July 1918	Girtrig Mill	...	...	2 roods	10 5 0
Aug. 1918	Wigtonshire & Ballymoney Creameries .	...	...	30,398 sq. yds.	(10) 39 11 7½
Nov. 1918	7 Scotland Street	...	...	14,486 6/9 sq yds.	(11)192 14 9½

(1) £850 paid for site and buildings thereon, was included in Buildings Account, and written off from Reserve Fund on the ground being cleared for erection of new buildings. Duplication every nineteenth year from 1872.

(2) Duplication every nineteenth year from 1838.
(3) „ „ „ 1872.
(4) „ „ „ 1802.
(5) „ „ „ 1871.
(6) „ „ „ 1897.
(7) Duplication every 19th year from 1905.
(8) „ „ „ 1908.
(9) „ „ „ 1913.
(10) „ „ „ 1917.
(11) „ „ „ 1935.

ENNISKILLEN DEPOT AND CREAMERIES.

Date of Purchase.	Site.	Cost.	Nominal Value.	Area.	Burdens: Feu Duty or Ground Annual.
		£ s. d.	£ s. d.		£ s. d.
Nov. 1891	Enniskillen	...	...	33 poles	17 17 0
Oct. 1894	„	66 0 0	...	3 roods 10 poles	...
Aug. 1898	Gola.....	25 0 0	...	2 „ 15 „	1 0 0
July 1898	Balnaleck	25 0 0	...	2 roods	1 0 0
Aug. „	Florence Court...	25 0 0	...	2 „	1 0 0
Sept. „	S Bridge	20 0 0	...	2 „	...
„ 1899	Gardner's Cross	30 0 0	...	2 „	...
May 1901	Blacklion	10 0 0	...	2 „	1 0 0
„ 1902	Glenfarne	15 0 0	...	2 „	1 0 0
July 1907	Coleshill (Pig'ry)	241 16 0	241 0 0	3 acres 20 poles	...
Jan. 1908	Irvinestown	...	...	6½ poles	2 8 10
„	„	...	...	1¾ „	1 4 8
Feb. „	Moneah	40 0 0	...	2 roods	...
					£1,985 7 9

APPENDIX XI.

BUILDINGS OWNED BY THE S.C.W.S.

Statement showing Total Expenditure on these up to date, Amount Written off for Depreciation, and Nominal Value taken as Assets in 1918.

PROPERTY.	Total Expenditure on Buildings to 1918.	Total Depreciation to 1918.	Nominal Value 1918.
	£ s. d.	£ s. d.	£ s. d.
GLASGOW—			
Paisley Road	32,087 11 11	32,807 11 11	*Nil.*
Morrison, Clarence, and Crookston Streets	156,017 5 5	131,955 5 5	24,062 0 0
Maxweltown Place	8,953 15 2	8,953 15 2	*Nil.*
Wallace Street and Dundas Lane ...	94,525 12 6	29,566 12 6	64,959 0 0
St James Street, Kinning Park ...	16,191 6 11	2,151 6 11	14,040 0 0
Factories—Paterson and Dundas Sts.	76,747 3 6	56,347 3 6	20,400 0 0
Dundas, Wallace, and Paterson Streets	139,923 17 11	87,679 17 11	52,244 0 0
Adelphi Street	2,760 5 0	2,760 5 0	*Nil.*
Regent Mill	61,668 13 4	38,718 13 4	22,950 0 0
Park Street	42,094 14 9	25,987 14 9	16,107 0 0
Great Wellington Street	10,966 9 0	1,100 9 0	9,866 0 0
Scotland Street	34,830 5 1	30 5 1	34,800 0 0
LEITH—Links Place, Junction Mill, Hosiery Factory, and Stables	116,007 10 6	87,223 10 6	28,784 0 0
EDINBURGH—Chancelot Mills and Chambers Street	110,049 17 4	104,969 17 4	5,080 0 0
KILMARNOCK	17,604 2 2	6,543 2 2	11,061 0 0
,, Girtrig Oatmeal Mill ...	1,350 0 0	40 0 0	1,310 0 0
ENNISKILLEN and CREAMERIES	31,998 4 2	18,577 4 2	13,421 0 0
SHIELDHALL	213,530 11 7	154,428 11 7	59,102 0 0
SELKIRK	15,896 1 7	12,826 1 7	3,070 0 0
BLADNOCH	16,725 11 3	12,441 11 3	4,284 0 0
GRANGEMOUTH	27,544 14 2	17,996 14 2	9,548 0 0
ABERDEEN	9,832 14 1	5,480 14 1	4,352 0 0
CALDERWOOD ESTATE and RYELANDS MILK CENTRE	33,889 15 5	26,989 15 5	6,900 0 0
EAST KILBRIDE CREAMERY	6,145 15 0	2,890 15 0	3,255 0 0
DUNFERMLINE—Aerated Water Factory ...	2,907 0 0	1,482 0 0	1,425 0 0
KIRKCALDY—Aerated Water Factory ...	474 17 0	276 17 0	198 0 0
PAISLEY—Dress Shirt Factory and Laundry	5,343 2 0	2,784 2 0	2,559 0 0
AUCHINLECK	480 0 0	15 0 0	465 0 0
KIRKCONNEL	349 12 11	10 12 11	339 0 0
GALSTON—Ayrshire Blanket Mills ...	1,457 4 5	407 4 5	1,050 0 0
DUNDEE	14,367 9 9	4,807 9 9	9,560 0 0
CANADA—Elevators	25,954 0 9	17,754 0 9	8,200 0 0
BUCKIE	1,800 0 0	215 0 0	1,485 0 0

Total Spent on Buildings since 1872	£1,330,475 4 7
Total Amount Allowed for Depreciation	895,599 4 7
Nominal Value in 1918	£434,876 0 0

The total Nominal Value is of special interest because in the five years alone (January 1913 to December 1918) the Society expended no less than £291,379, 14s. 7d. on buildings.

NUMBER OF S.C.W.S. EMPLOYEES AT THE DATE OF THE JUBILEE CELEBRATION.

Department or Factory.	Total.	Adults.		Under 18.	
		Male.	Female.	Male.	Female.
Head Office, Glasgow	363	135	181	21	26
Grocery, etc., "	559	337	180	25	17
Drapery, etc., "	665	353	263	26	23
Boot, "	167	129	27	11	..
Furniture, "	181	128	26	27	..
" Edinburgh	40	25	9	6	..
Building and Cartwright ..	365	355	3	7	..
Carting and Fodder, Glasgow ..	322	263	3	55	1
" " Leith ..	80	77	1	2	..
Clothing—Glasgow	805	63	493	3	246
Shieldhall	600	58	360	2	180
Leith and Paisley ..	363	22	178	3	160
Preserve, Confection, and Grocery Productive Depts., Glasgow and Shieldhall	1,006	206	574	11	215
Tobacco, Shieldhall	260	29	90	..	141
Printing, Shieldhall	424	158	172	5	89
Shoe Factories, etc.	1,142	440	403	16	283
Cabinet and Brush	268	184	49	9	26
Saddlery	13	9	2	..	2
Tinware	182	49	110	6	17
Scale Repair	21	14	..	6	1
Mechanical and Electrical ..	120	111	..	9	..
Dining Rooms	57	5	50	..	2
Regent Mill	152	145	5	1	1
Chancelot and Junction Mills ..	191	182	4	4	1
Leith	177	124	40	9	4
Kilmarnock	36	30	2	3	1
Dundee	9	6	3	..	..
Enniskillen and Creameries ..	113	106	4	3	..
Farm, Carntyne	1	1	..	..	..
Calderwood Estate	70	23	4	5	38
Aerated Water, Stirling	15	2	13	..	..
Soap Works, Grangemouth ..	189	85	43	6	55
Ettrick Mill, Selkirk	166	81	62	11	12
Blanket Mills, Galston	51	9	29	2	11
Creameries, Bladnoch & Whithorn	211	133	36	12	30
Fish-curing, Aberdeen	77	21	55	..	1
Laundry, Potterhill	94	6	60	..	28
Aerated Water, Dunfermline ..	11	4	5	1	1
Winnipeg Depot	63	59	4	..	..
Ryelands Milk Centre	9	7	1	1	..
Wigtownshire Creameries ..	47	42	5	..	..
Ballymoney Creamery	8	7	..	..	1
East Kilbride "	8	7	..	..	1
Kirkmichael "	11	7	2	..	2
Aberdeen Grain and Crichie Mill	12	10	1	..	1
Taybank Works	329	50	227	14	38
West Africa	32	32	..	..	..
Elgin Retail Branch	4	2	1	1	..
Buckie "	12	7	5	..	..
West Barns "	18	10	3	3	2
Forres "	4	1	2	1	..
Aberfoyle "	8	4	1	2	1
Peterhead "	7	2	4	1	..
Banff "	3	..	2	1	..
Gretna "	17	5	8	1	3
Total	10,157	4,357	3,807	332	1,661

APPENDIX XIII.

TABLE showing Capital and Sales of Retail Societies and the S.C.W.S., percentage of Wholesale Capital and Sales to Capital and Sales of Retail Societies, and percentage of Wholesale Production to Wholesale Society's Sales. Adapted from Statistics published by the Co-operative Survey Committee, 1919.

YEAR.	S.C.W.S. Share and Loan Capital.	RETAIL SOCIETIES. Total Share and Loan Capital.	Per cent. of Total Wholesale Capital (Share & Loan) to Retail Capital (Share & Loan).	S.C.W.S. Distributive Trade.	RETAIL SOCIETIES. Sales in Scotland.	Per cent. of Sales of S.C.W.S. to Retail Sales in Scotland.	S. C. W. S.		
							Total Sales.	Productions.	Percentage of Productions to Sales.
	£	£	%	£	£	%	£	£	%
1881.....	126,914	539,777	23·51	986,646	2,251,329	43·83	986,647	...	...
1882.....	157,142	544,487	28·86	1,100,508	2,330,504	47·23	1,100,589	...	...
1883.....	180,838	705,964	25·62	1,252,038	2,879,465	43·48	1,253,154	4,094	0·33
1884.....	226,714	792,954	28·58	1,300,331	3,036,958	42·82	1,300,332	4,927	0·38
1885.....	267,691	882,052	30·35	1,438,246	3,270,710	43·97	1,438,220	21,705	1·51
1886.....	308,086	1,016,182	30·32	1,857,152	3,464,373	53·61	1,857,152	45,646	2·46
1887.....	334,657	1,064,413	31·44	1,804,420	3,628,385	49·73	1,810,016	46,441	2·57
1888.....	372,794	1,177,644	31·66	1,969,820	4,719,746	41·74	1,963,854	57,833	2·94
1889.....	436,445	1,318,175	33·11	2,273,782	4,523,820	50·28	2,273,782	78,047	3·43
1890.....	522,439	1,472,454	35·48	2,475,338	4,815,910	51·40	2,475,601	113,449	4·58
1891.....	606,169	1,682,124	36·04	2,828,036	5,508,962	51·34	2,828,037	183,156	6·48
1892.....	704,846	1,888,651	37·32	3,104,768	5,886,421	52·74	3,104,768	260,270	8·38
1893.....	784,407	2,018,819	38·85	3,155,632	5,913,984	53·36	3,135,562	293,089	9·35
1894.....	875,895	2,183,220	40·12	3,056,582	5,992,395	51·01	3,056,583	346,838	11·35
1895.....	1,055,366	2,437,473	43·30	3,449,461	6,532,656	52·80	3,449,462	684,284	19·84
1896.....	1,143,551	2,666,898	42·88	3,822,581	7,152,932	53·44	3,822,581	831,282	21·75
1897.....	1,163,056	3,040,181	38·26	4,405,321	8,277,530	53·22	4,405,854	1,263,897	28·69
1898.....	1,184,929	3,284,475	36·08	4,692,330	8,939,733	52·49	4,692,330	1,287,903	27·45
1899.....	1,277,485	3,572,403	35·76	5,014,189	9,570,933	52·39	5,014,189	1,282,911	25·59
1900.....	1,460,441	3,938,057	37·09	5,463,631	10,654,410	51·28	5,463,631	1,460,307	26·73
1901.....	1,558,246	4,257,901	36·59	5,700,743	11,126,869	51·23	5,700,743	1,532,945	26·89
1902.....	1,818,379	4,635,170	39·23	6,059,119	11,711,028	51·74	6,059,119	1,698,767	28·04
1903.....	1,979,728	4,947,683	40·01	6,395,487	12,289,746	52·04	6,395,488	1,738,654	27·19
1904.....	2,130,225	5,312,884	40·10	6,801,272	12,951,886	52·51	6,801,272	2,023,557	29·75
1905.....	2,372,904	5,663,144	41·90	6,939,738	13,333,135	52·05	6,939,738	2,025,036	29·18
1906.....	2,522,472	5,930,276	42·54	7,140,182	13,816,029	51·68	7,140,183	2,051,489	28·73
1907.....	2,575,817	6,045,934	42·64	7,603,460	14,716,111	51·67	7,603,460	2,273,223	29·90
1908.....	2,760,768	6,148,508	44·90	7,531,126	14,742,691	51·08	7,531,126	2,379,089	31·59
1909.....	2,768,942	6,240,066	42·37	7,457,136	14,401,249	51·78	7,457,136	2,491,597	33·41
1910.....	2,836,573	6,312,731	44·93	7,738,158	14,352,047	52·16	7,738,159	2,508,803	32·42
1911.....	3,161,499	6,537,289	48·36	7,851,079	15,241,357	51·51	7,851,080	2,447,747	31·18
1912.....	3,321,501	6,826,793	48·65	8,391,258	16,127,677	52·06	8,391,258	2,665,234	31·76
1913.....	3,696,415	7,320,296	50·50	8,964,033	17,280,960	51·87	8,964,034	2,772,132	30·93
1914.....	4,130,170	7,735,697	53·39	9,425,383	18,018,860	52·31	9,425,384	3,139,275	33·30
1915.....	4,464,633	8,304,787	53·76	11,418,354	19,955,472	57·22	11,363,757	4,138,133	36·42
1916.....	4,564,637	8,970,567	50·88	14,502,410	24,065,214	60·26	14,499,068	5,315,100	36·66
1917.....	4,257,818	8,969,633	47·47	17,079,842	28,702,591	59·51	17,083,275	6,831,159	39·99
1918.....	4,354,074	*	...	19,216,763	*	...	19,216,762	6,038,371	31·42

* Returns from Retail Societies for 1918 not completed in time to be included in this table.

APPENDIX XIV.

THE WHOLESALE'S MAJORITY YEAR.*

DIRECTORS AND AUDITORS IN JUNE 1889.

President—Mr WILLIAM MAXWELL, St Cuthbert's, Edinburgh.

Secretary—Mr ANDREW MILLER, Tillicoultry.

Directors—Mr ANDREW M'EWAN, Perth; Mr JOHN COMBE, Hawick; Mr DANIEL THOMSON, Dunfermline; Mr JOHN PEARSON, Alloa; Mr JOHN ARTHUR, Paisley; Mr WILLIAM BARCLAY, Kinning Park, Glasgow; Mr ISAAC MACDONALD, Dumbarton; Mr GAVIN MACKINLEY, Barrhead; Mr HAMILTON OLIVER, Vale of Leven; Mr DAVID ROWAT, Kilmarnock.

Auditors—Mr JOHN ALEXANDER, Paisley; Mr JOHN MILLEN, Rutherglen; Mr JAMES INGLIS, Paisley.

HEADS OF DEPARTMENTS.

Manager—Mr JAMES MARSHALL.

Cashier—Mr ALLEN GRAY.

Accountant—Mr ROBERT MACINTOSH.

Glasgow: Groceries and Provisions—Messrs E. ROSS, J. M'DONALD, R. REYBURN; *Groceries and Provisions, Traveller*—Mr N. ANDERSON. *Potato Buyer*—Mr J. M'INTYRE. *Cattle Buyer*—Mr WILLIAM DUNCAN. *Drapery Buyer*—Mr DAVID GARDINER; *Drapery Travellers*—Messrs J. W. STEWART and J. WARDROP. *Furniture*—Mr WILLIAM MILLER. *Furniture Traveller*—Mr R. A. BROWN. *Boots and Shoes*—Mr A. L. SCOTT. *Printing*—Mr DAVID CAMPBELL.

Leith: Groceries and Provisions—Messrs W. F. STEWART, P. ROBERTSON, JOHN WHITE.

Kilmarnock: Groceries and Provisions—Messrs JAMES BLACK and WILLIAM LAIRD.

Dundee: Groceries—Mr JOHN BARROWMAN.

Enniskillen: Groceries—Mr WILLIAM WHYTE.

London: Tea—Mr CHARLES FIELDING.

*See Chap. IX.

APPENDIX XV.

JUBILEE OF SOCIETY, JUNE 1918.

DIRECTORS AUDITORS, AND OFFICIALS.

President—Mr ROBERT STEWART, Kinning Park, Glasgow.

Secretary—Mr JOHN PEARSON, Alloa.

Directors—Mr THOMAS LITTLE, Galashiels; Mr WILLIAM R. ALLAN, Dundee; Mr JAMES YOUNG, Musselburgh; Mr GEORGE THOMSON, Kilmarnock; Mr ALEXANDER B. WEIR, Barrhead; Mr THOMAS B. STIRLING, Vale of Leven; Mr WILLIAM GALLACHER, Larkhall; Mr JOHN BARDNER, Dunfermline; Mr WILLIAM ARCHBOLD, St Cuthbert's, Edinburgh; Mr HUGH CAMPBELL, Cowlairs, Glasgow.

Auditors—Mr JOHN MILLEN, P.A., Rutherglen; Mr ROBERT J. SMITH, C.A., Glasgow; Mr WILLIAM H. JACK, F.S.A.A., Glasgow.

Officials: Accountant—Mr R. MACINTOSH, Glasgow; *Assistant Accountant*—Mr J. SUTHERLAND; *Cashier*—Mr A. GRAY, Glasgow; *Assistant Cashier*—Mr J. KINLOCH; *Assistant Secretary*—Mr W. BAIRD.

BUYERS, MANAGERS, AND ASSISTANTS.

Groceries and Provisions—Mr E. ROSS, Glasgow; Mr D. MARSHALL, Glasgow; Mr A. R. CHADDOCK, Glasgow; Mr J. M'DONALD, Glasgow; Mr D. HOUSTON, Glasgow; Mr J. M. STEWART, Glasgow; Mr M. M'CALLUM, Glasgow; Mr P. WHYTE, Glasgow; Mr J. HENDERSON, Glasgow; Mr A. S. HUGGAN, Glasgow; Mr R. STEVENSON, Glasgow; Mr G. BLACKWOOD, Glasgow; Mr J. G. ALEXANDER, Glasgow; Mr R. M'COURTNEY, Glasgow; Mr P. ROBERTSON, Leith; Mr A. W. JOHNSTONE, Leith; Mr J. WILSON, Leith; Mr W. DRUMMOND, Leith.

Provisions—Mr D. CALDWELL, Kilmarnock; Mr R. W. ARMSTRONG, Kilmarnock.

Groceries and Provisions—Mr J. WILKIE, Dundee; Mr R. CLARK, Dundee.

Potatoes—Mr H. CAMPBELL, Glasgow.

Cattle—Mr W. DUNCAN, Glasgow.

Provisions—Mr W. WHYTE, Enniskillen; Mr J. B. DILLON, Enniskillen.

Preserve Works, etc., Shieldhall—Mr J. MILROY, Glasgow.

Tobacco Factory, Shieldhall—Mr J. CUTHBERT, Glasgow.

Flour Department: Chancelot, Regent, and Junction Flour Mills, and Crichie Meal Mill—Mr W. F. STEWART, Glasgow; Mr W. SMITH, Edinburgh; Mr H. ROUGH, Glasgow. *Chancelot and Junction Flour and Oatmeal Mills*—Mr J. PAISLEY, Edinburgh. *Regent Flour Mill*—Mr J. TIERNEY, Glasgow. *Grain Department*—Mr T. DOBBIE, Aberdeen *Girtrig Meal Mill*—Mr D. CALDWELL, Kilmarnock.

Winnipeg (Canada)—Mr G. FISHER.

Soap Works—Mr J. A. PENNY, Grangemouth; Mr W. J. INTIN, Grangemouth.

Tea Department—Mr W. B. PRICE, London.

Cocoa Works—Mr O. EDWARDS, Luton.

Fish-curing Works—Mr W. C. STEPHEN, Aberdeen.

Printing Department, Shieldhall—Mr D. CAMPBELL, Glasgow; Mr J. P. HOLBURN, Glasgow.

Stationery Department—Mr D. ROSS, Glasgow; Mr T. PORTER, Leith.

Bladnoch Creamery—Mr A. M'GAW, Wigtown.

Drapery Department—Mr D. GARDINER, Glasgow; Mr J. M'GILCHRIST, Glasgow; Mr W. ALLAN, Glasgow.

Ready-made Clothing Factory—Mr A. MACFARLANE, Glasgow.

Bespoke Tailoring Factory—Mr T. REID, Glasgow.

Wool Shirt Factory—Mr A. GLASGOW, Glasgow.

Underclothing Factory—Miss DUNLOP, Glasgow.

Artisan Clothing Factory—Mr J. HABICK, Glasgow.

Hosiery Factory, Shieldhall—Mr J. ROSS, Glasgow.

Hosiery Factory, Leith—Mr R. EASTON, Glasgow.

Waterproof Factory—Mr W. BOYD, Glasgow.

Juvenile Clothing—Mr J. PEACOCK, Glasgow.

Dress Shirt Factory and Laundry—Mr J. MUIR, Paisley.

Ettrick Tweed and Blanket Mills—Mr J. H. OLDFIELD, Selkirk.

Galston Blanket Mills—Mr W. ALLAN, Galston.

Taybank Jute Works—Mr R. A. DUFFIN.

Furniture Department and Cabinet Works—Mr W. MILLER, Glasgow; Mr T. FENWICK, Glasgow; Mr J. M'LACHLAN, Glasgow.

Furniture Department—Mr G. CARSON, Edinburgh.

Boot and Shoe Department and Factory—Mr P. MACFARLANE, Glasgow; Mr J. J. HORN, Glasgow; Mr A. G. WRIGHT, Glasgow.

Building Department—Mr W. MERCER, Glasgow; Mr C. ARMOUR, Glasgow; Mr W. WARDROP, Glasgow.

Carting Department—Mr J. CALDWELL, Glasgow; Mr J. WILKINSON, Leith.

Coal Department—Mr T. BURTON, Glasgow; Mr A. KERR, Glasgow.

Engineering and Electrical Departments—Mr J. STEWART, Glasgow; Mr R. MACRAE, Glasgow.

Chemical Department, Shieldhall—Mr A. GEBBIE, Glasgow; Mr D. J. TAYLOR, Glasgow.

Tinware, Shieldhall—Mr J. H. TURNBULL, Glasgow.

Purvey Department—Mr G. M. BOYLE, Glasgow.

Calderwood Estate—Mr G. G. YOUNG.

Ryelands Milk Centre—Mr W. G. M'CLEARY.

Wigtownshire Creameries—Mr D. MILLER.

Advertising Department—Mr J. ORR, Glasgow.

Northern Retail Branches—Mr J. ANDERSON, Buckie.

Propaganda Agent—Mr N. MACLEAN, Glasgow.

West Africa—Mr J. D. WATT, Saltpond, Cape Coast.

TRAVELLERS.

Grocery Department—Mr J. O. LOGAN, Glasgow; Mr A. W. YOUNG, Glasgow; Mr A. STODDART, Leith.

Flour Mills—Mr J. B. CRICHTON, Glasgow.

Productive Grocery Departments—Mr W. A. KIRKWOOD, Glasgow; Mr W. WILSON, Glasgow.

Tobacco Works—Mr A. M'MILLAN, Leith.

Drapery Department—Mr J. HENRY, Glasgow; Mr J. BOWMAN, Glasgow; Mr R. B. WOOD, Glasgow; Mr J. PRITCHARD, Glasgow; Mr A. CLAPPERTON, Glasgow; Mr W. G. PATERSON, Glasgow; Mr J. SIMPSON, Glasgow; Mr A. CHIVAS, Glasgow; Mr C. WHITELAW, Glasgow; Mr J. ALLAN, Glasgow; Mr G. TAIT, Edinburgh.

Furniture Department—Mr M. KERR, Edinburgh; Mr T. GUTHRIE, Glasgow; Mr J. ABEL, Glasgow; Mr S. MACKIN, Glasgow.

Boot and Shoe Department—Mr G. W. ROSS, Glasgow; Mr J. H. WARDROP, Glasgow; Mr A. WASON, Glasgow.

JOINT BUYERS WITH ENGLISH C.W.S.

Aarhus (*Denmark*—Sct., Olufsgade, 1—Mr H. C. KONGSTAD.

Ceylon—Tea Gardens, Weliganga, Nugawella, Mahavilla, Dumbagalla. Denmark, Westall, Lower Barcaple, and Nagastenne—Mr G. BENZIE.

Colombo—Prince Buildings, Prince St.—Mr G. PRICE.

Copenhagen (*Denmark*)—Sct., Annaplads, 24—Mr W. DILWORTH.

Denia (*Spain*)—Calle Gayarre—Mr G. COLLINS.

Esbjerg (*Denmark*)—Butter Stores—Mr H. C. KONGSTAD.

Herning (*Denmark*)—Svineslagteri—Mr A. MADSEN.

Montreal (*Canada*)—36 St Peter's Street—Mr A. C. WIELAND.

New Yory (*America*)—422 Produce Exchange—Mr W. J. MURPHY.

Odense (*Denmark*)—"Catharinahus" Store: Graarodbrestroede—Mr C. W. KIRKCHHOF.

———

English and Scottish Co-operative Insurance Society Ltd.—Mr J. DARROCH, Glasgow.

Scottish Co-operative Friendly Society Ltd.—Mr WILLIAM THOMSON, Glasgow.

APPENDIX XVI.

ELECTED OFFICIALS OF THE WHOLESALE SOCIETY.

PRESIDENTS.

George Merrylees, Kilmarnock	1868–1871.
Alexander Meldrum, Bannockburn	1871–1875.
Andrew Boa, Kinning Park	(January-September) 1875.
John Allan, Barrhead	1875–1879.
John Barrowman, Rutherglen	1879–1881.
William Maxwell, St Cuthbert's	1881–1908.
†Robert Stewart, Kinning Park	1908.

SECRETARIES.

John Allan, Barrhead	1868–1874.
Allan Gray, Bathgate	1874
Andrew Miller, Tillicoultry	1874–1907.
†John Pearson, Alloa	1907

TREASURERS.

Gabriel Thomson, St Rollox	1868–1875.
John Barrowman, Rutherglen	1875–1877.

(Office Abolished.)

AUDITORS.

	Elected.
Archibald M'Lean, Govan	1868.
*James Inglis, Paisley Provident	1868.
John Alexander, Paisley Equitable	1869.
William Barclay, Glasgow	1871.
Alexander Douglas, Anderston	1871.
N. C. Hunter, Omoa	1871.
R. Stark, Barrhead	1872.
J. White, Avonbank	1875.
†J. Millen, Avonbank	1886.
†R. J. Smith, Kinning Park	1897.
†W. H. Jack, St George	1902.

*Served till 1897 except for break in 1878. † In office in Jubilee year.

PAST DIRECTORS (WITH YEAR APPOINTED).

	1868.
J. Hall, Portobello.	A. Meldrum, Bannockburn.
D. Kay, Alva.	G. Dodds, Penicuik.
W. Smith, Lochgelly.	R. Lees, St Cuthbert's.
	1869.
D. M'Culloch, Kilmarnock.	J. Doyle, Mauchline.
D. Morrison, Tillicoultry.	William Hay, Dumbarton.
	1871.
Henry Cook, Lochgelly.	A. Marr, Mauchline.
W. F. Stewart, Penicuik.	J. Powell, Alva.
George Terras, Bo'ness.	P. M'Shane, Johnstone.
J. Jack, Vale of Leven.	
	1872.
J. Muir, Mauchline.	A. Ewing, Alloa.
J. Purves, Penicuik.	J. Stevenson, Kilmarnock.
J. Finlay, Darvel.	J. Douglas, Auchterarder.
	1873.
J. Scotland, Perth.	R. Paton, Paisley.
W. Swan, Bathgate.	A. Gray, Bathgate.
J. Murphy, Lanark.	L. M'Ilwide, Perth.
G. Bell, Alloa.	J. Arnot, Grangemouth
W. Brown, Lochgelly.	(An Interim Secretary).
A. Skinner, Penicuik.	
	1874.
W. Leishman, Grangemouth.	W. F. Stewart, Penicuik.
T. Hodgson, Barrhead.	G. Bell, Alloa.
J. Hunter, Lochgelly.	W. Allison, Barrhead.
B. Senior, Tillicoultry.	R. Dick, Lochgelly.
	1875.
J. Walker, Redding.	A. Todd, Edinburgh.
I. Macdonald, Dumbarton.	J. G. French, Barrhead
J. Grace, Perth.	J. C. Brown, Alloa.
D. Boag, Dunfermline.	A. N. M'Ewing, Perth.
	1876.
W. Ford, Bo'ness.	M. M'Nee, Vale of Leven.
P. M'Shane, Johnstone.	D. M'Culloch, Kilmarnock.
P. Marshall, Moffat Mills.	J. Hawthorn, Paisley Provident.
R. Fisher, Crosshouse.	J. Poole, Portobello.
	1877.
H. Murphy, Lanark.	J. M'Intyre, Vale of Leven.
G. Haldane, Bathgate.	J. Barrowman, Avonbank
J. Spence, Dunfermline.	A. Todd, St Cuthbert's.
	1878.
T. Gilchrist, Coatbridge.	H. M'Nish, St Cuthbert's.
	1879.
J. Pettigrew, Beith.	T. Calderwood, Perth.
J. Allison, Dumbarton.	J. Forsyth, West Calder.
T. M'Arthur, Alva.	J. Leishman, Grangemouth.
J. Allan, Galashiels.	J. M'Intyre, Vale of Leven.
W. M'Kenzie, Edinburgh Northern.	D. Scrymgeour, Perth
A. Grant, Bo'ness.	(Succeeded T. Calderwood).
J. Spence, Dunfermline.	G. Smith, Kilmarnock.

	1880.
R. Murray, Barrhead.	J. Black, Dumbarton.
W. Barclay, Glasgow Eastern.	W. Maxwell, St Cuthbert's.
T. Small, Johnstone.	
	1881.
J. Combe, Hawick.	A. Grant, Bo'ness.
H. Murphy, Lanark.	R. Fairley, Dumbarton.
J. M'Intyre, Vale of Leven.	T. Earl, Kilmarnock.
J. Wishart, Dundee West.	J. Peacock, Paisley Provident.
J. Dodds, Penicuik.	
	1882.
A. Johnstone, Barrhead.	G. Brown, Dunfermline.
P. M'Shane, Johnstone.	J. Nicholson, Leith Provident.
I. M'Donald, Dumbarton.	G. Smith, Kilmarnock.
H. Henderson, Grangemouth.	
	1883.
J. Peters, Barrhead.	J. Jamieson, Leith Provident.
W. Easton, Bo'ness.	Hamilton Oliver, Vale of Leven.
G. Combe, Hawick.	G. W. Campbell, Dumbarton.
	1884.
J. M'Nair, Kinning Park.	W. Leishman, Grangemouth.
J. Stevenson, Kilmarnock.	J. Barr, Dumbarton.
A. Sifton, West Calder.	W. Crawford, Edinburgh Northern.
	1885.
G. Smith, Kilmarnock.	J. Combe, Hawick.
H. Oliver, Vale of Leven.	J. Prentice, West Calder.
J. Peters, Barrhead.	H. Crosthwaite, Bo'ness.
	1886.
J. Arthur, Paisley Provident.	P. Eddington, Norton Park.
W. Brown, Dunfermline.	G. M'Kinley, Barrhead.
W. Birtwell, Barrhead.	M. Neil, Kilbarchan.
	1887.
D. Rowat, Kilmarnock.	J. Marshall, Leith Provident.
J. Arthur, Paisley Provident.	T. Little, Galashiels.
D. Thomson, Dunfermline.	
	1888.
J. Pearson, Alloa.	D. Wilson, Bo'ness.
I. M'Donald, Dumbarton.	G. M'Kinley, Barrhead.
A. Sifton, West Calder.	H. Oliver, Vale of Leven.
W. Barclay, Kinning Park.	
	1889.
D. Rowat, Kilmarnock.	R. Middleton, Perth.
J. Arthur, Paisley Provident.	D. Grant, Kinning Park.
	1890.
T. C. M'Nab, Leith Provident.	J. Adams, Kinning Park.
A. Laidlaw, St Cuthbert's.	J. Stevenson, Kilmarnock.
H. Murphy, Lanark.	
	1891.
P. Glasse, St George.	T. Little, Galashiels.

1899.

R. Stewart, Kinning Park.

DIRECTORS IN OFFICE IN AND SINCE 1899* (WITH TERMS OF CONTINUOUS SERVICE).

Andrew Miller, Tillicoultry	1874–1907.
William Maxwell, St Cuthbert's (Retired)	1880–1908.
D. Thomson, Dunfermline	1887–1908.
†J. Pearson, Alloa (Elected Secretary 1907)	1888
I. M'Donald, Dumbarton	1888–1912
J. Arthur, Paisley	1889–1910.
H. Murphy, Lanark	1890–1912.
T. C. M'Nab, Leith	1890–1907.
J. Stevenson, Kilmarnock	1890–1910.
P. Glasse, St George	1891–1917.
†T. Little, Galashiels	1891
†R. Stewart, Kinning Park (Elected President 1908)	1899
†W. R. Allan, Dundee and Perth	1907
†J. Young, Musselburgh	1907
J. Wilson, Dunfermline	1908–1913.
R. Nesbit, St Cuthbert's	1908–1912.
†G. Thomson, Kilmarnock	1910
†A. B. Weir, Barrhead	1910
C. W. M'Pherson, St Cuthbert's	1912–1915.
†T. B. Stirling, Vale of Leven	1912
†W. Gallacher, Larkhall	1912
†J. Bardner, Dunfermline	1914
†W. Archbold, St Cuthbert's	1915
†H. Campbell, Cowlairs	1917

* Since 1899 the Directors have devoted their whole time to the work of the Society.
† Directors in Jubilee year.

APPENDIX XVII.

JUBILEE CELEBRATION HELD IN SAINT ANDREW'S HALLS, GLASGOW, ON SATURDAY, 14TH JUNE 1919.

In consequence of the great European War the celebration of the Jubilee of the Society was postponed. Immediately on the cessation of hostilities the directors, as empowered by a previous quarterly meeting of members, took up the matter of appropriately celebrating this most important epoch in the history of the Society, and at the quarterly meeting held in Glasgow, 8th March 1919, they submitted a programme of proceedings of the celebration. The chief items of this programme were a dinner in Saint Andrew's Halls, Glasgow, on 14th June, at the close of the quarterly meeting on that date, at which the delegates and invited guests should be present; the preparation of a souvenir box, etc.; and a History of the Federation, to be compiled by Mr James A. Flanagan. It was also proposed that an entertainment be provided for all the employees, and that they also receive a souvenir box. In addition to providing for these items of the programme, a sum of £30,000 was to be allocated to charities, the distribution of which would be decided by the delegates.

The Jubilee dinner was held in the Main Hall, Berkeley Hall, and Kent Hall, comprised in the buildings of the Saint Andrew's Halls, Glasgow. Delegates and guests were furnished with tickets showing the position of their seats in the three halls. Mr Robert Stewart, J.P. (chairman of the Society), presided in the Main Hall; Mr Thomas Little (director) in the Berkeley Hall; and Mr William R. Allan (director) in the Kent Hall. At the close of the dinner in the three halls, the toast of "The King" was proposed simultaneously, after which the company in the Berkeley and Kent Halls removed to the galleries of the Main Hall, where the remainder of the programme was carried through.

On the appointed day, 14th June, the quarterly meeting of the shareholders was held in the Grand Hall of Saint Andrew's Halls, and it was one of the very few occasions upon which visitors participated in the proceedings—the visitors were Messrs Killon, Coley, Marshall, and Clayton, of the C.W.S., and even they participated only as spectators and listeners. Various references to the Jubilee were made at the business meeting, and Jubilee donations to the extent of £30,000 were voted.

When the guests took their seats for dinner, the Grand Hall had an appearance somewhat altered from its appearance during the business meeting. Talkative and silent delegates who had sat in the balconies had betaken themselves to the Berkeley Hall and the Kent Hall of the same suite where the important functions of the catering department—of which Mr George Boyle was generalissimo—could be more efficiently carried out. In all three halls these functions were admirably carried out, and the guests dined sumptuously. Mr Robert Stewart presided in the Grand Hall; Mr T. Little in the Berkeley Hall; and Mr W. R. Allan in the Kent Hall; these two gentlemen ranking in seniority as

members of the board after Mr Pearson (the secretary), who supported the chairman in the Grand Hall. After the singing of the "Old Hundredth," by the company, led by the S.C.W.S. band, and the saying of Grace by the president, the band discoursed popular music whilst the guests dined. In the lesser halls there were musical recitals by Mr James Buchanan's orchestra. When the dinner was over, the guests who had enjoyed themselves in the lesser halls crowded into the balconies of the Grand Hall for the feast of music and oratory that was to follow.

It was an imposing platform. Mr Robert Stewart had upon his left hand Mr Maxwell, who occupied the chair when the S.C.W.S. was struggling towards a turnover of a million a year, and who presided over its destinies till it reached a turnover of seven and a half millions. On his right was Mr T. Killon (the genial president of the English Wholesale Society). Close by the president was Mr John Pearson who, in addition to being the Provost of Alloa and the secretary of the S.C.W.S., is the "Father" of the board by virtue of long service. Sir Henry Grattan-Bellew and Mr R. M. Smith represented the Irish Wholesale Society. Dr. A. Süter (of Lausanne) and M. Maurice Maire (of Basle) represented the Swiss Co-operative Union, which combines in Switzerland the functions performed by our own Co-operative Union and the Wholesale Societies. Ex-Bailie Davidson (sub-convener of the Finance Committee of the Corporation) represented the Municipality—one of the largest "Co-operative concerns" in the kingdom—and on the platform, too, were other representatives of the civic life—ex-Bailie James Young and Councillors George Kerr and P. J. Dollan. The staff was represented by Mr Robert Macintosh, J.P., the doyen of the service, who was then within ten months of completing his fiftieth year as a Wholesale employee. There were other employees present as guests; they were present, however, not as employees but in virtue of their having been members of the directorate in past years. In this category were Mr Allan Gray (the Society's second secretary) and Mr W. F. Stewart (an early member of the board, and one of the pioneers of the Leith branch). Mr James Allan (the late chairman of the Scottish Section of the Co-operative Union) and Mr David Rowat (manager of the Paisley Provident Society) were also present in the role of ex-members of the board. Mr Rowat was a director when the Wholesale celebrated its majority, and he took part in the celebrations then, as also did Mr Maxwell and Mr Pearson. Others present who also spoke at the majority celebrations were Mr James Deans, who sat side by side with Mr E. J. Gunn (representing the law agents of the S.C.W.S. and the Co-operative Union); Mr James Odgers, who, with Mr F. Austen Williams (of Manchester) and Mr James Darroch (of Glasgow), represented Co-operative Insurance; and Mr John Millen (the Wholesale's oldest auditor). Mr W. Thomson represented the Scottish Co-operative Friendly Society. Mr W. B. Price (of the London tea warehouse), Mr George Price (of Colombo), Mr Knight (secretary of the London joint committees), and Mr O. Edwards (of Luton) represented enterprises jointly owned by the English and Scottish C.W.S. Industry was represented by Mr William Shaw (of the Glasgow Trades Council). The City Registrar (Mr T. Eaton Robinson) was also there. Co-operative propaganda was represented by Mr A. Purdie (the new chairman of the Scottish Section), and Messrs G. Wilson, P. Loney, P. Agnew, J. Paterson, and J. Downie (members of the Sectional Board). Messrs R. J. Smith and W. H. Jack accompanied their fellow auditor; and the members of the S.C.W.S. board, who assisted the president to do the honours, were Messrs T. Little, W. R. Allan, J. Young, George Thomson, A. B. Weir, T. B. Stirling, W. Gallacher, J. Bardner, W. Archbold, and H. Campbell; while the chief reception stewards were Messrs James Orr and Neil Beaton.

Mr Pearson intimated that apologies for absence had been received from the Rt. Hon. the Lord Provost of Glasgow; Sir John Lindsay (Town Clerk of Glasgow); the Rt. Hon. G. N. Barnes, M.P. (Gorbals); Major Henderson, M.P. (Tradeston); Mr T. Broderick (secretary of the C.W.S., Manchester); Mr H. R. Bailey (C.W.S., Newcastle); Alderman F. Hayward (chairman of the Central Board of the Co-operative Union); Mr A. Whitehead (general secretary of the Union); Mr H. J. May (International Co-operative Alliance); Messrs Alexander Meldrum and Richard Lees (members of the original board of the S.C.W.S.). The Dutch Co-operative Union sent the following message, which was received with loud applause: "Having the same aims as you, we rejoice in your splendid success. Congratulations and best wishes for the future of your Society.—Van der Velde."

The Chairman had a cordial greeting on rising to address the gathering. He congratulated the members of the S.C.W.S. on their magnificent triumphs during the fifty years that had passed. "There are some here to-day," he said, "who, over fifty years ago, took part in the starting of this Society. The noble band of men who set out at that time to reconstruct the Co-operative movemen were men who had faith in their principles, and consequently they were prepared to sacrifice their time and money, if it was necessary, to bring about a revolution in Co-operative trading. By the establishment of the Wholesale Society this was accomplished, and you will observe this was brought about not by violence, but by the dynamic force of Co-operation."

The musical programme was contributed by the Glasgow Select Choir, their performances being interspersed with readings by Mr Herbert Down. The solos sung by Miss Margaret M'Swan and Mr Alexander M'Gregor were all delightful, and the audience would have had more had time and the chairman allowed their encores to be responded to by the soloists and the choir. The performances of the reader were also received with warm appreciation by the audience.

Mr Killon, at an interval in the musical programme, delivered a speech, eloquent and vigorous, in submitting the sentiment of "The Scottish Co-operative Wholesale Society." He proposed his toast with great pleasure, he said. The members of the Scottish Wholesale had no need to be ashamed of the Society's record during the past fifty years, whether from the point of view of capital or trade, and the success of that Society proved that the working-men of Scotland had a grip of a principle that would ultimately lead to their salvation. Their Co-operative movement represented some of the noblest and finest ideals in Scottish life, whether they viewed the movement from a moral, an educational, an industrial, or a commercial point of view. The individualistic system had to be recognised as an absolute failure, and if it had not been for the Co-operative movement the individualistic system would have brought us to absolute disaster during the war. Misery, poverty, slumdom, and all that tended to degrade humanity had resulted from the individualistic system. The whole system had scarcely a redeeming feature. It rested with the people to change that.

Mr Killon's speech ended in loud applause, and he submitted the toast, which was enthusiastically honoured.

The toast was responded to by Mr Stewart, who could not suppress the emotion and pride which the occasion caused. Speaking with a vigour to which even he had rarely attained, he said the S.C.W.S. was one of the greatest commercial concerns in the country. The question might be asked: Had they succeeded? They had only to look into the past to answer the question. For the first year the trade was £81,000, and in the year 1918 it was £19,000,000. He was delighted that Mr Maxwell was there that day. They all knew how deeply he was interested in the productive enterprise, and they all knew that he cut the first sod at Shieldhall. Mr Maxwell on that occasion must not have

dreamed for a moment of the vast extensive ramifications that would surround that vacant piece of ground. It was one of the most notable achievements of the working-class movements. He had been speaking to one of their old brigade, who told him that the place set apart for their drapery goods in Madeira Court was eleven feet by fourteen feet. The delegates could contrast that with the present drapery establishment, one of the finest in the country, doing a trade of over three millions. Mr David Gardiner was not only a manager; he was a propagandist. On his right hand was Mr Macintosh. In April next he would complete fifty years of service. On his left hand he had Mr Gray, their cashier; and they must not forget Mr Ross, their oldest grocery buyer—a man of upright character, respected among business men and among Co-operative societies. It was owing to the character of these men who were still with us, and of men who had gone, that they were able to rejoice in the magnitude of the position that the Scottish Wholesale Society filled.

A splendid ovation was given to Mr Maxwell on his rising to propose "The City of Glasgow." The president, in calling upon him, said: We are all glad to see Mr Maxwell here again, and everybody in this audience hopes he will be spared for many years.

Mr Maxwell rose amid cheers loud and prolonged. When he attempted to speak the cheers broke out once more; the standing audience sang "He's a jolly good fellow," and again burst into cheering, whilst the Grand Old Man bowed his acknowledgments with characteristic grace. It was a striking tribute from a great assembly, and well might Mr Maxwell declare in his opening sentence: "This reception will never be forgotten. I would have come twenty times as far to have seen this audience. Allow me, as a very old friend, to congratulate you on this occasion as one who took a leading and active part in it for more than half its time. I feel highly privileged to be here, and I thank the board for this opportunity of coming among 'my ain folk.'"

Mr Maxwell proceeded to submit the toast. In the course of his speech he recalled that it was in Glasgow that the work of Owen was consolidated by the launching of the Wholesale Society. It was in Glasgow that the great Shieldhall scheme was organised; and in Glasgow—he hoped his friend Dr. Süter would take note—they could see the oldest Co-operative society in the world, which, established 119 years ago, still keeps its doors open.

The toast having been honoured loyally,

Ex-Bailie Davidson rose to reply, and had a cordial welcome from the audience. He testified warmly to the economic and industrial and commercial value of that great movement to the city of Glasgow. He happened to be sub-convener of the General Finance Committee of the Corporation of Glasgow, and he was therefore in a unique position to know the relationship between the Wholesale Society and the Corporation. Continuing, he said: "I don't think I am giving anything away when I tell this meeting that at the present time the Corporation has in its possession nearly one and a half millions of your money." He thought he need scarcely add that Mr Macintosh took care to see that this was of real benefit to the movement. Referring to Glasgow's patriotism during the war, he mentioned with particular pleasure that no part of the community had given so much encouragement to the Corporation in its treatment of the Belgian refugees as the Wholesale had done.

Mr James Deans had the honour of proposing a third toast not originally on the programme: "Our Co-operative Guests," and Dr. A. Süter had an excellent reception when he rose to respond, which he did in a marvellous flow of English. He acknowledged the privilege of being present on such an occasion, and to bring the heartiest congratulations of the Swiss societies to the Co-operators of Scotland on their splendid achievements during the past fifty years, and their

best wishes for further and more gigantic successes in the next half-century. Scotland had been the cradle of the Co-operative movement; they had done great things; they had Scottish blood, Scottish thriftiness, and first-rate Scottish men like Maxwell and Stewart. He raised his glass to the Scottish Co-operative Wholesale Society.

Sir Henry Grattan-Bellew, on behalf of the youngest sister in the Co-operative Wholesale family—the Irish Wholesale Society—thanked the company not only for the hospitality he had enjoyed that day, but for noble acts the Co-operators of Scotland had done in the past.

This concluded the oratory, except for a vote of thanks to the president, proposed by Mr Killon, which the audience carried with enthusiasm, and the proceedings terminated with cheers.

The delegates present carried away with them substantial souvenir boxes of Wholesale productions.

INDEX

	PAGE
Aberfoyle Branch	437
A Chapter of Memorable Events ...	178
Adulteration of Tea	39
Advent of Co-operation and Growth of the Movement till 1860	20
Advertising Department	331
Aerated Water Factory	363
Alexander, John	79
Allan, John, 62, 76, 82, 91, 93, 105, 107, 109, 110, 115, 124, 215	294
Alloa Society	43
American Civil War 45	70
— Peace Treaty	367
Anti-Co-operators in the Glasgow Town Council	201
Arkwright's Spinning Frame	10
Arnott, John	93
Arthur, John	215
Artists' Department, Shieldhall ...	376
Attitude of Co-operation to Labour ...	115
Auchtermuchty Manufacturing	81
Auditors (Fees and Fares)	102
Ayrshire Conference Association ...	147
Bacon Factories	359
Bagmaking	377
Bakers' Grist Flour	102
Baking Societies 25	26
Bamford, Samuel 136	138
Banff Branch	438
Banking, Co-operators Independent of...	256
Barclay (Beith)	97
Barclay, William 111	136
Barrhead Society 52	100
Barrowman, John, 105, 109, 111, 112, 113, 136, 199, 216	294
Bathgate Society	100
Baxter, W. E.	124
Belgian Guests at Calderwood ... 224	225
Bennet, Provost 84, 91	92
Birnie, John	54
Black, James	107
Black, John	146
Blanket Weaving	406
Boa, Andrew ... 94, 97, 101, 105	293
Bo'ness Society	100
Bonus to Employees 80, 261, 264, 265	266
Bookbinding	376
Boot and Shoe Production	370
Borrowman, James, 63, 70, 88, 90, 95, 99, 107, 176, 292	297
Boycott at Uddingston	152
— Ayr	153
— Carluke	152
— Dunoon	153
— Glasgow	153
— Helensburgh	153
— in Dead Meat Market, Glasgow...	154
— The, 48, 134, 135, 149, 160, 163	199
Bread, The Assize and Price of ...	25
— Subsidy, The War and	271
Bridgeton Victualling Society	24
Brodrick, T.	75
Brush Factory 145	404
Buckie Branch	436
Building Department ... 125, 147	342
Butchers Declare a New War	199
Bycraft, E. S.	145
Cabinet Factory	387
Calderwood Estate, 180, 181, 183, 224, 225, 361	424
— Heavy Losses	206
Campbell, Alexander 31	53
Campbell, David 131	132
Campbell, Hugh	264
Campsie, James, and Superannuation ...	264
Cartwright Department 148	417
Catering Department	338
Central Co-operative Agency	41
Central Premises 127	303
— Opening of 162	448
Chambers, Robert	37
Chambers's Encyclopædia	39
Chambers's Publications	37
Chancelot Mill	148
Chartist Movement, The	35
Chemical and Sundries Department 147	396
Child Labour	16
— at New Lanark	29
China Showroom	325
Christian Socialists	36
Cigarette Factory	400
City of Glasgow Bank 108	269
Clothing Factories	379
Clynes, J. R.	275
Coal Department	339

	PAGE
Coal Fields, etc., Power Given to Purchase	188
Coal Strike	
Cocoa Production	429
Coffee Essence Factory	395
Combination Laws 13, 20	21
Coming-of-Age and a Retrospect ...	133
Coming-of-Age Celebrations ... 136	295
Conception of Wholesale Co-operation...	38
Confectionery Works 147	394
Conference, East of Scotland 93, 103	104
— Sectional, in Edinburgh	183
— Scottish National	185
Conferences—Formation of S.C.W.S., 52, 54, 56, 57, 62, 65; List of Societies and Delegates, 58, 59; Report ...	69
Conferences—Formation of C.W.S., 43, 46	55
Congresses, Co-operative, 34, 40, 115, 122, 124, 129, 145, 170, 194, 228 ...	295
— International Co-operative, 220, 221	222
Consumers' Council, Appointment of ...	280
Cooper, William	43
Cooperage	404
Co-operation, Advent of	21
— Early Advocates of Wholesale ...	50
— in the Fifties	37
— in the North	112
— in the Sixties	37
— Merits of	91
Co-operative Efforts, Early Victorian ...	38
— Exhibitions ... 81, 145, 287	295
— Lifeboat Launched	145
— Production Advocated	118
— Propaganda ... 32, 111	112
— Representation in Parliament, 200	288
— Societies, Maximum Investments	46
— — Annual Return Ordered ...	65
— Union 67	124
— — Scottish Section ... 67	124
— Vigilance Association ... 152	153
Co-operative News, 53, 61, 89, 196, 202, 211, 231, 273	296
Co-operator, The 42, 51, 63	65
Cotton Famine Relief Fund	45
Cranstoun, Stephen	94
Creameries	352
Crosshouse Society	100
Cunningham, James	64
Currying 147	373
Dale, David 27, 28	29
Davidson, James 125	217
Davidson, George 117	260
Davies, M. Llewelyn	145
Deans, James, 22, 30, 134, 135, 136, 138, 145, 147, 149, 150, 155, 183, 184, 203	264
Decreases in Trade	198
Demonstrations :—	
Central Premises, Glasgow	162
New Premises, Paisley Road, 1873 ...	81
— Bonnington, Edinburgh ...	148
Deputations to America ... 167	168
— to Canada	232
— to Denmark	168
— to France	168
— to Germany	168
— to Spain	168
— to U.S.A. and Canada 172, 173, 174	175
— to West Africa	219
Devonport, Lord, as Food Controller ...	276
Direct Partnership Between the Two Wholesales	300
Directors and Full Time Service ...	166
— from Beginning of the Society ...	464
Distributive Branches Denote and Aid Progress	100
Dividend on Retail Purchases (footnote)	33
Drapery Department, S.C.W.S., 86, 110, 115, 120, 121	320
— Separated from Grocery, 1875 ...	102
— £1,000,000 Turnover	187
— Furniture, Boots Separated, 1884	121
Dried Fruits, etc., Discussed	168
Dundee Branch 112	318
— Fire at Warehouse	319
— West Society	123
Dumbarton Society	100
Duncan, John	64
Duncan, W.	156
Dunfermline Manufacturing	87
East of Scotland Conference Association, 103, 118	131
Eccles and Patricroft Manufacturing ...	82
Economic Influence of the Wholesale ...	243
Economist, The	31
Education, Compulsory	1
— Knox's Ideal of	1
— Owen and Children's	30
— Parish Schoolmaster and ...	4
Edwards, J. C.	59
Egg Department 311	340
Elgin Branch	435
Embroidery Department...	341
Employees, Relationship Between S.C.W.S. and Its	259
— and Privileged Purchasing ...	298
— and Social Fellowship	289
— Interesting Stories	296
— Long Service of	260
— Shareholding Association ...	263
— Wages and Conditions ... 80	266
Employment, Conditions of, 7, 16, 80, 119, 120	267
Engineering Department... ... 147	403

	PAGE
Enniskillen Branch ... 125, 340	352
Estates and Farms	422
Ettrick Tweed Mills 160	406
Eventful Decade in which the Society Accepts a Challenge	144
Ewing, Crum	64
Excess Profits Duty 14, 15	227
Eye Testing	326
Factory Legislation	36
Farms and Estates	422
Farriers' Department	418
Fees and Fares—Committee, 101, 166; Special Committee Appointed, 185; Report Considered	186
Fenwick Weavers' Society 22, 23, 25	440
Fire at Morrison Street, Glasgow ...	210
— at Chancelot Mill	229
— at Dundee	319
— at Shieldhall (Boot Factory) ...	219
— Brigade	405
First Board of Directors...	72
First Industrial and Provident Societies Act, 1852	36
Fish and Fish-Curing 161	361
Five Years of Experimental Effort ...	69
Flour and Oatmeal Milling	346
Forres Branch	438
French Revolution 11	32
Friendly Society, Scottish Co-operative, 214	337
Fruit Department 312	340
Full Weight Packages Agitation ...	249
Furniture Warehouse, Glasgow... ...	324
— Edinburgh	327
Future Developments Foreshadowed ...	299
Gallacher, W.	281
Galston Mills	410
Gardiner David ... 85, 86, 117, 187	260
Glasgow Corporation and the Boycott, 154, 200	201
Glasgow Bazaar Society ... 32	53
— Clarence Street Hall ... 127	131
— Cooperage Co. 82	108
— *Evening News and Star*	133
— *Evening Times*	151
— *Herald* ... 88, 115, 154, 202	282
— *Herald and Courier*	33
— Madeira Court 73, 79, 81, 303	367
— *News*	88
— Paisley Road ... 102, 113	120
— *Scotsman*	33
— *Sentinel*	54
— Site Purchased in Paisley Road	80
— Society 33	53
Glasse, Peter ... 120, 152, 155, 203	230
Glycerine Works	418
Govan Victualling Society ... 23	24
Gray, Allan 86, 93	293
Gray, J. C. 136, 184	202
Greening, E. O.	220
Greenwood, Abraham	55
Gretna Branch	438
Grocer, The	48
Grocery Departments	308
— Glasgow	309
— Leith	315
— Kilmarnock	317
— Dundee	318
Ham and Hamcuring Department, 148, 182	359
Hardships of the Scottish People before the Co-operative Idea	1
Hargreaves' Spinning Jenny	10
Harkness, Thomas	147
Hat Department	342
Hawick Hosiery 82	108
— Society	51
Henderson, Archibald	203
Henderson, Joseph	64
Herald to the Trades' Advocate ... 33, 34	54
Highland Clearances	6
History of Barrhead Society	51
History of Co-operation in Scotland ...	56
Hodgson, Professor	115
Holyoake, George Jacob, 23, 37, 82, 83, 114, 136, 137, 138, 145, 220 ...	295
Hood and *Song of the Shirt* ... 119	120
Horses as Prize Winners	415
Hosiery Factories... 125	386
Howarth, Charles	33
How the S.C.W.S. was Brought to Life	50
Hughes, Judge 36	220
Hungry 'Forties, The	34
Hutchison, Alexander ... (footnote)	115
"Independent" Societies, an Epidemic of	208
Industrial Depression and Acute Distress, 193	194
Inglis, James (Paisley)	106
Insurance Fund, Inauguration	111
— Department	334
International Co-operation 220, 221	222
— and Peace	222
International Co-operative Bulletin ...	79
International Wholesale Society Considered	300
Jewellery Department 121	326
Jones, Lloyd 85	143
Jubilee Celebrations	468
— Donations	284
— Year View of "The Wholesale"	235
Junction Flour Mills Purchased ...	161
Jute Mills	410

	PAGE
Keyden, James, and the Employees' Shareholding Association	264
Kilmarnock Branch ... 106, 123	146
— Society 94	100
Kincairney, Lord	156
Kingsley, Charles	36
Kingston Dock 303, 367	369
Kyle, Alex. (Alva)	108
Labour Disputes, Directors and ...	267
Ladies' Office, Morrison Street	307
Land Values at Shieldhall	130
Larkhall Victualling Society	26
Last Decade and the Greatest, The ...	195
Lees, Richard 64. 292	297
Leggat, James, 117 (footnote), 118, 260	296
Legislation, Co-operators and	44
Leith Society	52
— Branch 105, 106, 131	315
— and Continental Produce ...	103
Lennoxtown Friendly Victualling Society	24
Litigation in Ireland and Scotland 212	213
Lochhead, James	103
London Exhibition of 1862	296
— Financial Panic	70
— Grocers' Wholesale Society ...	49
Ludlow, J. M.	36
Lurgan Manufacturing 82	108
M'Callum, Malcolm	297
M'Culloch (Kilmarnock)	105
Macdonald, Isaac	217
M'Innes, John, 53, 56, 64, 70, 95, 100, 110	292
Macintosh, Robert, 74, 79, 118, 136, 260	329
M'Intyre, D.	154
Macintyre, John	229
M'Nab, T. C. 190	264
M'Nair, John	111
Macpherson, Charles W.	216
Madeira Court ... 73, 79, 81, 303	367
Mallace, Alexander	99
Mantle Department	381
Marcroft, W.	43
Margarine Factory	355
Marshall, James, 74, 81, 82, 99, 105, 125, 136, 176	297
Marshall, Mrs James	145
Maurice, F. D.	36
Maxwell, Mrs William 149	192
Maxwell, William, 22, 56, 70, 105, 113, 118, 119, 123, 124, 125, 126, 128, 129, 130, 134, 136, 138, 142, 145, 146, 147, 149, 162, 163, 167, 168, 191, 192, 193, 194, 228, 262, 263, 294 (Knighted by the King, August 1919)	295
Maxwell, William, Retires from S.C.W.S. and Newspaper Society Boards, 192, 193 (Presentations)	194
May, H. J....	279
Meldrum, Alexander ... 82, 92, 97	293
Merrylees, George 73	79
Milk Centres 199	358
Millar, Andrew, 138, 139; Death ...	189
Millinery Department	341
Minto House	328
Mitchell, J. T. W. ... 136, 149	295
Money, Leo Chiozza	23
Mongewell Society	23
Moratorium Proclaimed at Outbreak of War	270
Morrison Street 210, 361	303
Motor Engineering	404
Mowat, Robert	151
Murphy, Henry 107, 109, 111	217
Murphy, James 86, 105	264
Murray, Robert	218
Nairn, Thomas	64
National Co-operative Conference and Political Action...	228
National Co-operative Society Outlined	202
Neale, E. V., 36, 44, 45, 136, 137, 170	220
Nesbit, Robert 197	216
New Lanark Cotton Mills ... 28	31
North of England Wholesale Society, 52	63
— Mr M'Innes and	60
Oak Mill Co. 85	108
Oatmeal Milling 348	350
O'Neil, Charles	94
Optical Department	326
Original Plan of the S.C.W.S.	445
Originator of S.C.W.S. Productions ...	117
Oswald Family of Glasgow ... 303	367
Oswald Street 303	367
Overseas Enterprises	167
Owenite Congresses	40
— "Wholesale" Society	41
Owen, Robert ... 23, 27, 29, 32	114
Painting and Paint-making	344
Paisley Manufacturing ... 81, 115	117
Paper-ruling Department	375
Parliament, Co-operators and, 43, 130, 228	288
Patent Medicines	399
Penicuik Society 97	100
Perfume Distillery	398
Personal Influences in Fifty Years ...	292
Peterhead Branch	438
Pettigrew, John	293
Pickle Factory	395
Pitman, Henry 42	292
Planting of the Wholesale's Flag Overseas	167
Plunkett, Sir Horace	145
Ponsonby, Sir Henry	131

PAGE

Poole, J. (Portobello) 103
Portobello Society 52
Potato Department 313
Poultry Department 315
Power of the Press 52
Pratt, Tidd 65
Prices Charged by the Wholesale Criticised, 203, 204 205
Prince of Wales 131
Printing Department ... 131, 144 374
Privilege of Purchasing Goods at Wholesale Prices Discontinued 298
Preserve Works 145 393
Productive Enterprises ... 114, 117 123
Productive Enterprises follow Success in Distribution 114
Productive Grocery Department ... 393
Progress Since 1868 450
Progress Society 298
Propagandist Appointed... 112
Protection Against Trusts, 251, 252, 253, 254 256
Provision Departments of the S.C.W.S.
Public Libraries Acts 36

Queen Victoria 131

Redfern, Percy 131
Regent Flour Mill Purchased, 178, 179 180
Religious Differences between Members of Societies 209
Reminiscences 295, 296 297
Reserve Fund Inaugurated 77
Retail Branches of the S.C.W.S., 183, 184, 230 435
Reyburn, Robert 297
Rhondda, Lord, as Food Minister, 275, 276, 279 280
Ritchie, Carnegie (Scottish Registrar), 65 67
Rochdale Ante-C.W.S. Movement ... 41
— Pioneers' Society 32 34
— System 34
Rosebery, Lord 145, 146, 295 296
Ross, Ebenezer 81, 99 260
Rowat, David 293
Russell, Sir James 149
Russian Revolution 11
Rutherford, Dr. 83

St Cuthbert's Association, 52, 63, 101, 113, 118, 248 292
St Rollox Society 53
Sausage Factory 148 359
Scott, A. L. 122
Scott, Roderick 154, 156 157
Scottish Banks 126
Scottish Co-operative Statistics, 442, 443, 444 459
Scottish Co-operator, The, 53, 56, 60, 64 196

PAGE

S.C.W.S. and C.W.S. :—
Absorption of the Co-operative Insurance Society 214
"Annual" 131
Copenhagen Depot 124
Deputation to U.S.A. in 1884 ... 124
Joint Trading Arrangements, 85, 110, 142, 167, 168, 169, 170, 171, 172, 231, 232, 233 300
People's Year Book 131
S.C.W.S. and the Boycott, 149-160, 163, 199 254
— Aerated Water Factories, 161, 167 183
— and Government Orders 272
— and Hawick Society 51
— and the Great War ... 224 270
— and the P.A.T.A. 254
— and the Wheat Commission ... 276
— Boot Factory and Warehouse, 122 370
— Brush Factory 145 404
— Building Department 125, 147 342
— Buildings 457
— Cabinet Factory 161
— Cartwright Department ... 148 417
— Catering Department 338
— Cattle Buying Department 132 156
— Central Premises Opened 162 448
— Chemical Department ... 147 399
— Coal Department 339
— Confectionery Department 147 394
— Creamery at Bladnoch ... 161 355
— Currying Department ... 147 373
— Donations to Various War Funds 284
— Dundas Street 341
— Embroidery Department... ... 341
— Employees, 80, 259, 260, 263, 266, 289, 296, 298 458
— Employees and the War... 223 288
— Engineering Department 147 403
— Ettrick Tweed Mills ... 160 406
— Exhibition and Conference in St Andrew's Halls 203
— First Balance-sheet 458
— First Retail Branch ... 183 184
— Fish-curing at Aberdeen 161 361
— Flour and Oatmeal Milling, 148, 178, 179, 180 346
— Friendly Society 214 337
— General Progress of, 113, 116, 122, 123, 126, 139, 140, 141, 144, 149, 163, 219, 234, 236, 237 ... 238
— Grocery Departments 308
— Hamcuring and Bacon Factories, 148, 182 359
— Hosiray Factories ... 125 386
— How It was Brought to Life ... 50
— in Spells of Trade Depression ... 269
— Insurance Society 334

PAGE

S.C.W.S.—*continued.*
— Jewellery Department ... 121 326
— Junction Meal and Flour Mills Purchased 161
— Jute Works 231 410
— Land 455
— Laundry at Paisley 182, 198 384
— Leith Warehouse 105, 106, 131 315
— Milk Centre at Ryelands 199 358
— Morrison Street 301
— Motor Engineering ... 218 404
— New Premises ... 127, 303 448
— Painting and Paint-making ... 344
— Paisley Road Gusset 338
— Piggeries at Enniskillen and Calderwood 183, 199, 361 424
— Preserve Department ... 145 393
— Printing Department 131, 144 374
— Retail Branches 230 435
— Sausage Factory 148 359
— Scale Making Department ... 342
— Shieldhall Estate, 1887 ... 128 366
— Shirt Factory ...117, 120, 167 382
— Soap Works ... 159, 253 418
— Subscriptions to Infirmaries and Hospitals 284
— Tanning of Leather ... 148 373
— Tea Department in London 171 428
— Tobacco Factory ... 147, 161 400
— Waterproof Factory ... 161 381
— Wheat Buying, 172, 173, 174, 175 276
Scottish Ironworks Co. 82 87
— and Penicuik Society 97
— Financial Difficulties 92
— Its Formation 88
— Its Position in 1875 96
Serious Storms Safely Weathered ... 87
Shares Increased from 10/ to 15/ ... 125
Shieldhall, 128, 129, 130, 131, 136, 146, 219 366
Shirtmaking 117, 120, 167 382
Slater, John 111
Soap Trust, The 253
Soap Works 159, 253 418
Social Problem and the Remedy ... 84
Society's Coming-of-Age and a Retrospect 133
Societies, Co-operative, and Act of 1862 46
— and Government Control ... 274
— and Normal Prices during the War, 271 272
— in 1860 37
— Trading with E.C.W.S. ...(table) 75
Stationery Department, Glasgow ... 329
— Leith 333
Stevenson, John 92, 111 215
Stewart, Robert (Elected President), 193, 195, 196, 197, 198, 206, 208, 209, 262, 279, 280, 286 294
Stewart, W. F. 86, 104 293
Stockton-on-Tees Society 101
Story of Shirtmaking 117

PAGE

Sugar Department 310
Superannuation Proposals for Directors Submitted 264
Survey Report, First Scottish ... 65, 76 442
Sutherland, G. 149

Tanning of Leather 148 373
Taxation of the Working-Classes ... 14
Taylor, George D. 136
Tea Production 425
Tea Trade Competition 171 172
Telfer, Thomas 136
The Society Carries Its Flag Overseas... 165
The Story of the C.W.S. 42
Thomson, Alexander 146
Thomson, Daniel 64, 109, 138 190
Thomson, Rev. Robert 91
Tillicoultry Society 100
Tinware Factory 390
Tobacco Manufacture ... 147, 161 409
Traders' Defence Association 134, 135 140
— at Stirling 135
Trades Advocate and Co-operative Journal 33
Tradeston Society 33
Trade Unions Congress 119
Trade Unions to Organise Employees ... 262
Transport Departments 414
Truck Shop 19
Tweddell, T. 149, 214 335

Underclothing 387

Wages and Conditions of Labour— General 17 18
— Between 1790 and 1850 (footnote) 37
— Employees' Bonus and 261
Walker, Robert ... 134, 135, 149 150
War, The European, and the Economic Usefulness of the S.C.W.S., 224, 270 282
— Wounded Soldiers Entertained ... 286
Waste Department 322
Watson, Robert 216
Weaving 406 410
West Africa 254, 255, 256 432
West Barns Branch 436
Wheat Elevators and Estate Purchased in Canada, 172, 173, 174, 175 ... 431
Wholesale Agency, Conference ... 52 62
— and Scottish Ironworks Co. 87 92
— as a Social Influence, The ... 283
— Co-operation: Its Conception ... 38
— Depot at Huddersfield 42
— in Times of National Crisis ... 257
— Merchants Alarmed 48
— Societies' Relations to the Retail Societies 47 459
Wilkie, J. M., and Bonus 265
Wilson, James 229
Wool Spinning and Weaving 406
Workers' Representation on Local Bodies 288

UNIVERSITY OF SOUTHERN CALIFORNIA LIBRARY

UNIVERSITY OF CALIFORNIA LIBRARY
Los Angeles

This book is DUE on the last date stamped below.

UC SOUTHERN REGIONAL LIBRARY FACILITY
AA 000 897 099 8

Nº
AGO